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# DAILY DIGEST

Prepared in the Press Service, Office of Information, United States Department of Agriculture, for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Approval or disapproval of views and opinions quoted is expressly disclaimed. The intent is to reflect the news of importance.

Vol. XLVI, No.1

Section 1

July 1, 1932.

## THE PRESIDENT SIGNS ECONOMY BILL

The press today says: "Fresh efforts to soften personnel 'hardships' in the Federal economy bill were pledged yesterday at White House and Capitol. Signed by the President, 'with limited satisfaction,' the measure today will become operative throughout the Government service. Promise of administrative alleviation of some personnel burdens was forthcoming at once from Mr. Hoover, while Republican and Democratic leaders echoed his wish that Congress attempt to lighten the load.

"After signing the bill the President issued five Executive orders. They exempted 49 workers from forced retirement for age, temporarily extended the service of 39 others, continued in effect all sick leave provisions and placed in operation new travel-subsistence regulations. The fifth order, granted temporary extensions to 2,300 employees of the postal service and three employees in the Treasury Department, 'to afford time in which to appoint successors to the present incumbents of these positions.'

"At about the same time Senator Hiram Bingham of Connecticut unsuccessfully attempted to repeal the section requiring dismissal of husband or wife, where both are in Government employ. Senator McNary, Oregon, blocked his motion.

"President Hoover said he was not completely satisfied with the economy bill, first because it fell short of his hopes for economy, and second because it works 'unnecessary hardships' on employees...."

The press today states that President Hoover's Executive order saved, among others, the retirement of the following Department of Agriculture officials: "Charles S. Marvin, Chief of the Weather Bureau; William J. Humphreys, Meteorologist of the Weather Bureau and Dr. Isaac M. Cline, also of the Weather Bureau.

## CONGRESS CONTINUES

All plans for adjournment of Congress were thrown into the discard yesterday as conferees on the unemployment relief bill announced they would not complete their work until next week, according to the press today.

## BRITAIN TO CONVERT WAR LOAN

A London dispatch today states that Chancellor of the Exchequer Neville Chamberlain, in the House of Commons last night, announced the long-awaited conversion of the 5 per cent war loan of 1929-47 into a  $3\frac{1}{2}$  per cent loan. (The amount of bonds to be converted is about \$7,490,194,808 at yesterday's exchange rate.) The report

says: "The announcement was made at the first convenient moment after the bank rate at noon had been reduced from  $2\frac{1}{2}$  to 2 per cent--the lowest in thirty-five years--and a second factor vital to the conversion was in evidence at the same hour, namely: the 4 per cent Consols were higher at 102  $\frac{1}{8}$  than the war loan 5s at 101  $\frac{3}{4}$ ...."

## BRITISH TARIFF AGAINST IRELAND

A London dispatch today states that Great Britain made ready yesterday to raise a special \$11,000,000 annual tariff barrier against the Irish Free State in retaliation for that dominion's failure to pay land annuities.



## Section 2

Back to  
Land  
Move-  
ment

An editorial in Pennsylvania Farmer for June 25 says: "Back-to-the-Land movements have been launched in several parts of the country. They originate in cities. They are based on a sincere desire to help the unemployed and ignorance about farming. It is natural for those who see many city families lacking food and other families in the country with abundance of it to think that the first class would be much better off if they were in the position of the other class....Usually these back-to-the-land movements are started and carried on by those who have no knowledge of agriculture or the things necessary to live by it, such as capital for land and equipment, skill in production or ability in management. State lands are suggested as a means of avoiding investment in land, regardless of the fact that these lands are in possession of the State because they are not agricultural and experienced farmers can not make a living on them. In one case the advocates of the movement are saying that it is to apply only to those who came from the land and want to go back. These, they say, should be aided in getting back. But how? They don't know but have vague ideas that the State should finance the movement in one way or another, supervise it and finally get its money back when those who have gone to the country have achieved 'economic independence.'...Let the great and wealthy papers which are so earnest in advocating this back to the land movement, and so critical of any who point out its difficulties, invest some of their money in an experiment with a hundred families--which they can select and for whom they can rent, at a very low figure, better land than the State owns. Let them put these families on that land and see how the thing works in actual practice. They will learn something by this, and if their results are in line with their current arguments they will be able to teach something, too...."

California

Imports  
Dairy  
Cattle

An editorial in The Idaho Farmer for June 23 says: "The southern California metropolitan area imported in 1931 from other States 12,488 head of dairy cattle, according to the annual report of Dr. L. M. Hurt, county livestock inspector of Los Angeles. Utah led with 4,830. Idaho came next with 2,879. Oregon furnished 633 and Washington, 376. Dairy stock producers of the Pacific Northwest may be reasonably assured of the California market, as the north country can put vigorous constitution into dairy cattle. This vigorous constitution is especially demanded to withstand for a lengthened period the enervating climate and the hard milking service of southern California areas. Even if Los Angeles area may be oversupplied now and then with dairy cattle, the milk men of that section will pick for the best all-around cows."

Farm  
Prices

An editorial in Kansas Farmer for June 25 says: "This country is undergoing a critical economic revolution. The best efforts of every loyal American should be exerted toward restoring to the average American the opportunity to work and prosper....In a rise in farm prices that will give the farmer cost of



production and purchasing power. In jobs for all workers at wages and salaries that will insure them the cost of living and give them purchasing power. In stabilizing the purchasing power of the dollar to guard against dizzy heights of inflation and subsequent sloughs of deflation and the miseries of depression. We need a nation-wide conception of the great truth that sound prosperity will have to be based on earnings applied to raw materials and their distribution as commodities; that sound prosperity can never be based upon winnings at the gaming table or on the commodity and stock exchanges. The economic problem of this country is the problem of agriculture and labor...."

Farm Pro-                   An editorial in Wisconsin Agriculturist and Farmer for  
duction June 25 says: "There is a comforting thought in the minds of  
Strength   farm operators who see farthest into the future. It is  
that the economic importance of the man who produces materials  
for food and clothing must be admitted and recognized by all  
classes of society. Farming is more than a living. It is a  
manner of living. The farmer is more than a wage worker; he is  
more than an office clerk, he is more than a salesman or a trader  
in the products some one else supplies. He himself is the man  
who produces. For this reason, the farmer is a powerful unit.  
His is a foundational industry. As a primary industry, agricul-  
ture clothes its people with power. The farmer is stronger than  
he realizes. He is a mighty individualist. He actually has in  
his hands the welfare of the Nation. If he is so powerful as an  
individual, or unit, how much more power and might he would ex-  
ercise if he and his brother producers were closely organized.  
Some one once said: 'A country must first of all safeguard its  
producers.' If we continue earnest efforts toward loyal co-  
operation, we may rest assured that no nation or people can  
long neglect the welfare of these--the actual producers of food-  
stuffs and clothing."

Food                       An editorial in The Oregon Farmer for June 23 says:  
Freezing   "Because an explorer in Labrador observed that fish frozen  
quickly on the ice after being taken from the water retained  
their fresh flavor all winter, the Ray Maling Company of Oregon  
is conducting, in cooperation with the General Foods Company  
which controls the process, experiments which may revolutionize  
the food purveying industry. The possibilities in the process  
are indicated by the fact that all edible portions of the car-  
casses of 27 lambs, frozen and in separate cardboard containers,  
were packed in a nine-foot cube. These and other interesting  
facts about the process were told members of the agricultural  
forum at Portland recently by Bert Maling, president of the com-  
pany, who also related some of the discouraging setbacks that  
have attended its development during the last two or three years.  
Berries that bounce like marbles when thawed out seem fresh off  
the vine; spinach so clean and toothsome that husbands almost  
cry for it; meats that like the lamb previously mentioned could  
be shipped by the carload in an airplane and reach the consumer  
all ready to be popped into the oven; these are some of the

things the American public will be buying out of a subzero display case if General Foods succeeds in its undertaking. The process yet is in the experimental stage, however. New things about it are being found out every day. Marketing methods must be made made over entirely as the process comes into use; and Maling gave no assurance that residents of the Pacific Northwest, where the process is receiving the greatest impetus, would see the frozen product in the markets very soon. All the effort put forth so far toward retailing has been applied in the congested centers of the East and Middle West."

Organization John Palmer Gavit, writes of the work of James G.K. Aid McClure in organizing agriculture among the "Mountain Whites" of Among the Blue Ridge in July Graphic Survey. He says in part:"... Mountain- Farmers' Federation, Inc., has operated in a constantly widening tain- territory; beginning right there at Asheville but now spread over eers several counties....I can mention only a few of the principal activities: Increasingly large-scale purchase of supplies. Organizing the collection and marketing of produce of many kinds; buying it direct from the farmer at standard prices for cash or by exchange in kind. Creating canneries, curing-stations, storage for excess crops of potatoes, tomatoes, sweet potatoes, against later shortage and after-season sale. Steady improvement in the breed of poultry, cattle, swine; teaching the farmers that good stock costs no more in the end and pays better. Circulating information, inspiration, incitement to broader outlook; appreciation of resources at hand--lumber and wood products, accommodation for tourists, fishing, hunting, incomparable beauties of nature. There are 991 stockholders in the Federation now. No matter what his investment, a stockholder has but one vote. Nobody can 'buy control.' And the leadership, based on brains and unselfish service, is vested in the group that earns it. The Farmers' Federation stuff goes far. About the best poultry that comes to New York City comes in its refrigerator cars. At first the car ran at a loss; it was hard to fill it; then the farmers learned of the insatiable market, and a year ago I saw figures indicating 60 cars of live poultry in six months. McClure recently wrote to me, replying to questions: 'The year 1921, the first full year of our business, showed \$54,000 worth of business. We got up to a peak in 1929, of \$1,181,138.78. Our business last year totalled \$666,088. Our tonnage remains about stationary, but the value in dollars is way off, owing to the fact that the prices of most of the commodities which we handle were cut in half....' The Federation has had some help, and hopes for more, in the way of capital from outside. There are New York, Philadelphia and Detroit committees raising an 'educational fund.' McClure will be happy to tell you about it. But he is happiest in telling what these Americans, emerging from hibernation, are doing for themselves."

Pest An editorial in California Cultivator for June 25 says:  
Control "When prices are high and our crops yield profitable returns, we do not hesitate to spend all that is necessary to effectively control those pests to which they are subject. The greater the



margin of profit, the more we spend for pest control and the smaller our profits; the less we spend for control work. Pests and diseases that attack our farm crops affect them in two ways-- they either reduce the yield or lower the quality of the crop-- sometimes both. Since our profit is the difference between our unit cost of production and the price we receive for our product, provided, of course, the selling price is above production costs, we must, in years of low prices, do everything possible to lower production costs. Therefore, any practice, within reason, that will increase our per acre production, automatically reduces our production cost and provides just that much better chance of making a profit....How often we hear farmers remark: 'There is no use to spray or fumigate this year because we won't get anything for our fruit anyway,' and yet the logical thing to do is to use greater care in controlling the pests that we may produce a better quality of fruit that may sell at a slight profit when that of ordinary quality is a drag on the market...."

### Section 3 MARKET QUOTATIONS

Farm June 30.--Livestock at Chicago: Slaughter cattle, Products calves and vealers, steers (1100-1500 lbs.) good and choice \$7 to \$8.60; cows, good and choice \$3 to \$5.25; heifers (550-850 lbs.) good and choice \$6.25 to \$7.50; vealers, good and choice \$4.75 to \$5.75; feeder and stocker cattle, steers, good and choice \$5 to \$6.25. Heavy weight hogs (250-350 lbs.) good and choice \$4.50 to \$4.95; light lights (140-160 lbs.) good and choice \$4.60 to \$4.90; slaughter pigs (100-130 lbs.) good and choice \$4.10 to \$4.65 (soft or oily hogs and roasting pigs excluded from above quotations). Slaughter sheep and lambs: Lambs, good and choice (90 lbs. down) \$5.50.

Grain: No.1 dark northern spring wheat,\* Minneapolis 52 1/4 to 54 1/4¢; No.1 northern spring,\* Minneapolis 52 1/4 to 54 1/4¢; No.1 hard winter,\* Kansas City 32¢ to 32 1/2¢; No.2 hard winter,\* Kansas City 41 1/2 to 42 1/2¢; Chicago 49¢; No.1 soft red winter, St. Louis 48¢ to 48 1/2¢; No.2 soft red winter, Kansas City 42 to 42 1/2¢; St. Louis 47 to 48¢; No.1 white wheat, Portland 49¢; No.2 amber durum,\* Minneapolis 43 to 47¢; No.1 durum, Duluth 46 to 48¢; No.2 rye, Minneapolis 30 3/4¢ to 32 3/4¢; No.2 mixed corn, Kansas City 28 1/2 to 29 1/2¢; No.2 white, Kansas City 29 1/2 to 30 1/2¢; No.2 yellow, Kansas City 32 1/2 to 33 1/2¢; Chicago 29 1/2 to 30 3/4¢; No.3 yellow, Minneapolis 31 to 34¢; Kansas City 31 1/2 to 32 1/2¢; No.2 white oats, Chicago 20¢ to 21¢; No.3 white, Minneapolis 19 1/8 to 20 5/8¢; Kansas City 19¢ to 21¢; Chicago, 18 3/4 to 20 1/4¢; Special No.2 barley, Minneapolis 37 to 38¢; Chicago 33 to 40¢; No.1 flaxseed, Minneapolis 1.00 1/2 to \$1.04 1/2.

\*Prices basis ordinary protein.

North Carolina Cobbler potatoes ranged \$2.50-\$2.85 per barrel in city markets. Virginia stock \$2.25-\$3 in the East with f.o.b. sales at Eastern Shore points \$2.15-\$2.25. Texas and Oklahoma sacked Bliss Triumphs \$1.65-\$1.75 per 100 pounds carlot sales in Chicago; 95¢-\$1 f.o.b. Muskogee. Georgia Uneeda peaches, medium to large \$2.25-\$2.50 per six-basket crate in the East. North Carolina Early Rose \$3-\$3.75 in a few cities. California Salmon Meat cantaloupes \$3-\$3.50 per standard crate of 45 melons in consuming centers; 65¢-85¢ f.o.b. Brawley. Texas Yellow Bermuda onions 70¢-90¢ per 50-pound sack in city markets. California stock 65¢-85¢ in New York City. Florida and Georgia Tom Watson watermelons 24-28 pounds average, \$240-\$315 bulk per car in New York City.

Average price Middling spot cotton in 10 designated markets advanced 25 points to 5.45¢ per pound. On the same day last season the price was 9.40¢. July future contracts on the New York Cotton Exchange advanced 24 points to 5.63¢, and on the New Orleans Cotton Exchange advanced 23 points to 5.61¢.

Wholesale prices of fresh creamery butter at New York were: 92 score, 16½¢; 91 score, 16¢; 90 score, 15½¢.

Wholesale prices of No.1 fresh American cheese at New York were: Flats, not quoted; Single Daisies, 11 to 11½¢; Young Americas, 11 to 11½¢.

Wholesale prices of fresh eggs, mixed colors, at New York (Urner Barry Company quotations) were: Special Packed, 15½ to 18¼¢; Standards, 15 to 15¼¢; Rehandled Receipts, 14 to 14¼¢. (Prepared by Bu. of Agr. Econ.)

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Vol. XLVI, No. 2

Section 1

July 2, 1932.

## FEDERAL FINANCES

Secretary of the Treasury Mills yesterday announced the deficit the largest in this country's peace-time history. Receipts for the year ended Thursday reached \$2,121,000,000, he said, while expenditures mounted to \$5,006,000,000. (Press, July 2.)

## APPROPRIATION BILLS

The press today says: "Congress chiseled away yesterday at a \$2,835,000,000 national deficit, taking final action on all but two of the departmental supply bills and bringing savings under budget appropriations estimates to approximately \$153,000,000.

Final action next week on War and Agriculture supply bills is expected to bring the cuts below budget figures to about \$185,000,000. Added to \$150,000,000 claimed for the economy bill, Congress may boast a saving of \$335,000,000 over and above a hoped for billion dollars from the revenue act. Failure to break conference deadlocks on War and Agriculture bills yesterday left those two departments without funds for the first four days of the new fiscal year. The Senate will not meet again until Tuesday...."

## THE RELIEF BILL

The press today says: "A tremendous relief program, designed not only to feed and provide work for the unemployed, but to pump credit into private industry, was completed last night by

House and Senate conferees for presentation to Congress next week. The compromise bill, which emerged from a week of give and take negotiations between the two Houses, carried \$2,100,000,000, instead of the \$2,300,000,000 it formerly provided. Sponsors of the measure were hopeful that they had worked out a program which would receive the approval of President Hoover, despite his objections to the public works feature....

"As approved, the bill carries a public works program of \$300,000,000 and extends the borrowing power of the Reconstruction Finance Corporation for loans by \$1,800,000,000...."

## RELIEF WHEAT AND COTTON

The press today says: "Final House action yesterday sent to President Hoover legislation releasing 45,000,000 bushels of wheat and 500,000 bales of cotton from Farm Board stores to the Red Cross for relief distribution...."

## COSACH ASKS

CREDIT EXTENSIONS A New York dispatch July 1 states that representatives of the \$300,000,000 Nitrate Corporation of Chile, known as Cosach, conferred with New York bankers Thursday in an effort to arrange an extension of short-term credits which matured yesterday. Similar conferences were reported under way with London bankers.

The press today states that arrangements have been concluded at New York by bankers for the extension for one year of acceptance credits of Cosach. The deal is contingent upon approval of the arrangements by the directors of the company.

## Section 2

Cooperative Credit Agencies      An editorial in The Farmer and Farm, Stock and Home Credit for June 25 says: "While American farmers have ventured into many forms of cooperative enterprises, they have thus far failed to use the cooperative forms of credit agencies so popular in Europe. The first German cooperative credit union was organized in 1848. From that modest beginning the movement has spread to all parts of the world and the credit union is generally recognized as a very successful cooperative plan. European agriculture is largely financed on the basis of these credit associations made up of farmers who pool their collective strength for the benefit of the individual member....Cooperative credit is being used today in the urban centers. In some 35 States there can now be found more than 2,000 cooperative credit unions representing 60 different industries. In all of these States, including Minnesota and Wisconsin, laws have been passed providing for the chartering and supervision of these credit unions under State auspices. In more than twenty years of experience it is said that there have been no liquidations of any of these organizations. Industrial workers have profited greatly from this use of cooperative credit by defeating usurious interest rates. So far as agriculture is concerned, the credit union is little understood to date. North Carolina and Texas have good records of accomplishment. Eighteen county unions have recently been organized in Indiana under the auspices of the Indiana Farm Bureau Federation. While very successful unions have been established in the Twin Cities and other western trade centers, the movement has not progressed into the country. Four unions, organized in connection with cooperative oil stations, are now under way in Minnesota. In this brief discussion it is impossible to tell the complete story of the cooperative credit union and its possibilities. Suffice it to say that the cooperative principle can be successfully applied to rural credit, as proven by experience, and without harm to existing banks. In fact, the banks welcome this form of supplementary credit which is bound to play an increasingly important part in the credit structure. In later issues we hope to discuss this subject at length and we will be glad to hear from any readers who are seeking for further information."

Farm Purchase Oppor- tunities      An editorial in Southern Agriculturist for July says: "It is estimated that the indebtedness on the farms of this country today amounts to twelve billion dollars. That is an in- comprehensible debt. Just what will become of it, how it will be settled, who will lose and who will gain no one can tell. This is a big unsolved problem. But it is preeminently the problem of the farmers in control of things at the present time. Just how they will settle this mortgage problem no one knows. But things are not so dark as they seem for the farmers. In the first place there are millions of farms that are free of mortgage, and millions of farmers who are not burdened with debt. In the second place there is a great army of new young farmers taking up agriculture every year as a life occupation on their own accord. The twelve billion dollars mortgage problem need not



worry them. It is not their problem. In no way does it of necessity embarrass them; neither does it in any way interfere with their success. Strange as it may seem, this serious problem together with the depression gives the young farmer an unusual advantage and an unusual opportunity to make good as an independent farmer. The conditions that have been the undoing of others, the young farmer may use to his great advantage. The young farmer today of courage and character and industry may buy a good farm at far less than its normal value on almost any terms that he may name. This condition offers unusual opportunities of profit to those who are willing to work and economize, and enables a young man to make himself independent within a comparatively short period...."

**Livestock**           An editorial in The Western Farm Life for July 1 says:  
**Field Day**   "Field day meetings of various kinds are becoming increasing-  
**Meetings**   ly popular. There is something about getting together and talking things over that brings out developments of real value. When something special has been planned in advance around which to center the meeting, such gatherings become even more valuable. In the month of July two field meetings of special interest to livestock men of Colorado have been announced, one at the Dawson Cattle Ranch, four miles west of Hayden, on Saturday, July 9, and the other at the Myron Stratton Home Farms near Colorado Springs the following Saturday, July 16."

**Middle**           An editorial in The Daily Argus-Leader (Sioux Falls,  
**West**   S.D.) for June 28 says: "As the Middle West was the first to  
**Agri-**   take the shock of the great American depression, it is going  
**culture**   to be the first to lead the way out. With hogs over the \$4  
mark yesterday and with \$5 hogs predicted within 60 days, the Middle West's buying power is coming back. The movement towards better times has already started in the Middle West."

**Sugar**           An editorial in The Michigan Farmer for June 25 says:  
**Beet**    "In 1930 a number of tests were started in several States to  
**Costs**   determine how the cost of growing sugar beets might be reduced. The most promising result from these experiments was from efforts to reduce the amount of hand labor. Cross blocking and cross cultivation cut hoeing costs from \$6 to \$2.50. The same cultivator was used for both operations, being equipped to remove every beet and weed between the hills in both directions. Since lower costs are necessary to retain this crop as a profitable one in American agriculture, these tests are promising to farmers living in areas where this crop is produced."

**Unemploy-**       Commerce and Finance for June 29 says: "Detroit's  
**ment**   employment index has risen--a little; it is almost the only city in the country where idleness has been reduced. The June 15 index of 70.8 compares with 69.6 on May 31 and 74.8 a year ago. Official and up-to-date data for the nation as a whole is lacking, but estimates run from 9,000,000 to 11,000,000 out of work. President William Green of the Federation

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of Labor estimates the number at 10,634,000. The Department of Labor index of employment for May is 59.7 against 62.2 for April and 75.2 for May last year. Its indexes for pay-roll totals for the same months are 42.5, 44.7 and 67.7. The basis for comparison is 100 as the twelve-month average of 1926...."

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Vol. XLVI, No. 3

Section 1

July 5, 1932.

**FEDERAL FURLOUGH PLAN** The press today says: "Rulings designed to bring about uniform operation of the furlough plan throughout the Federal Service may be made this week by the Comptroller General. Heads of departments are expecting an opinion within the next few days, directing accounting methods to be followed in equally administering the plan in every bureau. ...The opinion is expected to embrace the Comptroller's interpretation of the so-called 'impounding clause.' The construction he places will determine whether any of the salary savings are to be used for retaining workers in the service, or whether every dollar saved will be covered into the Treasury...."

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**THE RELIEF BILL** The statement that should President Hoover veto the \$2,100,000,000 unemployment relief bill he would keep Congress in session until some acceptable legislation is enacted was made last night by Representative Snell, the House Republican leader, according to the press today.

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**FRANCE CUTS AMERICAN IMPORTS** An A.P. dispatch July 3 from Paris states that quotas on American imports into France have been decreased by the decrees for the third quarter of 1932 published this far, an analysis of the decrees yesterday showed. It had been expected the quotas would be increased.

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**THE LAUSANNE CONFERENCE** A Lausanne dispatch today says: "Italy broke her silence yesterday on the proposed 'reparations bond' idea with a statement that indicated she might block a settlement with Germany until intra-European war debts, as well as reparations, are canceled. This was the inference drawn from a statement to the press by Dino Grandi, Premier Mussolini's foreign minister, which asked cancellation of these two items....With six smaller nations discontented with the Franco-British plan for a German bond of 4,002,000,000 marks, it became apparent that Italy might block a German settlement until satisfaction was given on the questions she has raised. Nevertheless Germany was under heavy pressure yesterday to accept the plan, which had a provision linking it with debts due the United States from World War allies...."

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**CHILEAN NITRATE** A Santiago, Chile, dispatch to the press July 5 says: "Expressing the deepest alarm at the possibility that the new Chilean Socialist Government might dump on the world markets at a low price more than 2,000,000 tons of nitrate of soda already in European ports, Max Meller, representing the Old World cartel of synthetic nitrate producers, cabled the Minister of Finance at Santiago making inquiries without disguising his concern. Finance Minister Zanartu....cabled a reply saying that foreign competitors have no reason to fear such grave measures provided they reach a favorable agreement with Chilean delegates at the world conferences on nitrate to take place soon...."

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## Section 2

Back to Land Movement      An editorial in The Weekly Kansas City Star for June 29 says: "There undoubtedly is a very definite and distinct movement of population from urban to rural areas. Thousands of unemployed men realize that they would be better off on a small farm where they could produce food and obtain fuel from their own effort and through part-time work for others procure enough to meet necessary cash expenditures for clothing. Organized agriculture is alarmed unduly over the possibility of the increased production which will result from the movement of unemployed city workers back to the land. Those who choose such a course will be occupied completely in self-maintenance. They will produce little above their own needs to compete with surplus products on the market. They will not be able through their own efforts to grow wheat, cotton or corn in an extensive way or to finance the purchase of cattle, sheep or hogs to use on a commercial scale. There apparently is a real opportunity for those who are properly equipped and have the temperament to live happily in rural surroundings to acquire land, which will produce abundantly under good management, at an extremely low price...."

Barter      "In an article in The Saturday Evening Post Mrs. Evelyn Harris describes the shrewd method by which she managed to acquire the goods and services which she and her children and her farm needed, without writing checks or handing over currency. Her original schemes went far beyond the simple swapping of butter and eggs for goods at the village general store. She discovered tradable resources on her fruit farm which in pre-depression days she had never considered convertible into commodities. Driving to Baltimore to try to borrow cash for overdue interest payments, she got the first inspiration for her bartering career from the sight of men setting posts along an embankment. She at once found a cash market for locust posts from her woodland; and the lop wood, cut into stove lengths, was used to settle school-transportation bills for the children and also an account with the grocer. More trades followed. A truckload of corn-cobs for burning was exchanged for a dozen family hair cuts at the village barber shop. Musical talent was traded for a three days' stay at a Baltimore hotel. Maryland chickens bought a permanent wave. Apples and homemade sausages and spareribs paid for the renewal of magazine subscriptions. Southern Nancy Hall sweet potatoes and roasting chickens were accepted in exchange for membership in a book-a-month club. Wheat was traded for flour at the local miller's, and corn for feed for young chicks. Spraying trees paid the garage bill. Farm labor was paid for a time in food supplies, but the author's check for her article on her experiences will help carry that burden." (N.Y. Times, July 1.)

British Refunding      An editorial in The Wall St. Journal for July 2 says: "In its potential importance to farmers and wage earners of many lands the refunding announcement of the British Treasury overshadows the week's events in Chicago, on which American eyes have been so unwaveringly bent. Like all great operations of the



sort--and this is the greatest ever undertaken--the decision of the Chancellor of the Exchequer to ask holders of roughly \$7,500,000,000 bonds to accept  $3\frac{1}{2}$  per cent interest instead of 5 per cent registers the accumulation of idle capital pressing for investment. Bondholders who refuse to refund at the lower rate must, of course, be tendered their principal, but the decision to refund testifies to the confidence of the Government and its banking advisers that there will be sufficient capital available at the lower rate to complete the transaction....It would be foolish to pretend that the circumstances attending a governmental refunding of such magnitude are precisely similar today to those of 1888 or that the effects of a successful issue are bound to be the same, for Great Britain or for the world at large. But it is clear that the controlling conditions are more favorable at the moment in Great Britain than almost anywhere else. If it be objected that the comparative wellbeing there is largely 'psychological,' the answer is that the state of the popular mind is an immensely important factor in every such operation, and indeed in any effort to move the world out of its present economic stagnation. Such a demonstration as this promises to be that 'something can be done' to relieve even one nation of a part of its staggering debt burden will be of immeasurable value to every nation."

Federal  
Land  
Banks

The Federal Government now owns the major part of the stock of the 12 Federal Land Banks, according to figures released here today by the Federal Farm Loan Board. At the close of 1931 these banks had practically repaid the Government subscription to stock of approximately \$9,000,000, made when the banks were originally established, for it held only \$204,698 and this was limited to stock in two banks. In January, this year, Congress appropriated \$125,000,000 to be used by the United States Treasury to invest in the stock of the 12 Federal Land Banks. Complete data regarding the ratio between total stock and total bonds outstanding subsequent to this last subscription made by the Treasury are not yet available for the individual banks. The effect upon this ratio may be indicated, however, for the different institutions, by adding the stock subscribed in June to the stock outstanding May 31 and comparing this total with the bonds outstanding on May 31. On this basis the ratios for the 12 banks are as follows: Columbia, 1 to 3.5; Spokane, 1 to 4.7; Berkeley, 1 to 4.8; St. Paul, 1 to 4.9; Springfield, 1 to 5.1; New Orleans, 1 to 5.7; Baltimore, 1 to 6.2; St. Louis 1 to 6.7; Wichita, 1 to 7.1; Louisville, 1 to 7.7; Houston, 1 to 8.0; and Omaha, 1 to 8.4. When the reserves and undivided profits of the banks on May 31 are added to the stock the above ratios are still further improved. On this basis, the ratio for the system as a whole is 1 to 5.1 and for the individual banks as follows: Columbia, 1 to 3.4; Spokane, 1 to 4.6; Berkeley, 1 to 4.0; St. Paul 1 to 4.6; Springfield, 1 to 4.7; New Orleans, 1 to 4.9; Baltimore, 1 to 4.9; St. Louis, 1 to 6.0; Wichita, 1 to 5.5; Louisville, 1 to 5.8; Houston, 1 to 5.7; and Omaha, 1 to 6.0.

Meat..... A sharp advance in hog prices, increases in the  
Prices wholesale prices of pork cuts and some other meats, a brisk demand for smoked picnics, and an improvement in the price of lard were some of the outstanding features of the meat trade during June, according to a review of the livestock and meat situation issued today by the Institute of American Meat Packers. The increase in wholesale pork prices was not proportionately as great as the increase in hog prices. The wholesale prices of dressed beef improved during the month, showing the greatest increase in the last two weeks. Cattle prices also advanced. The demand for dressed lamb was somewhat better in June than in May. Wholesale prices of all grades moved upward during the middle of the month but moved lower as the month closed. Prices of live lambs improved during the greater part of the month, but as the period closed, some prices declined. The export trade continued slow.

Wholesale The Bureau of Labor Statistics of the U. S. Depart-  
Prices ment of Labor announces that the index number of wholesale prices for the week ending June 25 stands at 64.0 as compared with 63.7 for the week ending June 18. This index number, which includes 784 commodities or price series, weighted according to the importance of each article and based on the average prices in 1926 as 100.0, shows that an increase of one-half of 1 per cent has taken place in the general average of all commodities for the week of June 25, when compared with the week ending on June 18.

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### Section 3

Department of  
Agriculture An editorial in The Florida Times-Union for June 29 says: "In the first place, what can be the meaning in the fact that all but eight of the States, and those eight in the Far West, sent delegates to the sixth national camp of 4-H Clubs, held in Washington, June 15-21--representatives of 900,000 boys and girls who are members of these clubs, located in every section, and practically in every county, in this broad land? What can it mean but that these boys, many of them, at least, are learning to be good farmers, and the girls to be good home-makers, whether on the farms or in other places in which they become established later in their lives? What can it mean but that these boys and girls--nearly a million of them at this time--are growing up, in due time to become good citizens, better citizens because of having been active members of one or of several farm clubs. This annual camp in the Capital of the Nation has come to be exceedingly popular with 4-H Club members, the most talented of whom are selected to represent the local club, to which they belong, in this national gathering. No doubt, the club work of many boys and girls is intensified in order to win the coveted honor of being selected to represent his or her organization in the



National Camp, there to gather new inspiration for whatever of worthwhile work that is for their performing when they return to their respective homes, their views broadened and their aspirations strengthened by the things they have seen and heard, the contacts made by them while in camp in Washington...."

#### Section 4 MARKET QUOTATIONS

Farm July 1.--Grain: No.1 dark northern spring\* Minneapolis Products 52 1/4 to 54 1/4¢; No.1 northern spring\* 52 1/4 to 54 1/4¢; No.1 hard winter\* Kansas City 41 3/4 to 43 1/2¢; No.2 hard winter\* Kansas City 41 to 42 1/2¢; Chicago 48 1/2 to 49¢; St. Louis 48¢ (Nom.) No.1 S.R. Winter St. Louis 47 3/4¢; No.2 S.R. Winter Kansas City 41 1/2 to 42¢; St. Louis 47¢; No.1 W. Wh. Portland 48 1/2¢; No.2 Am. Dur.\* Minneapolis 42 1/2 to 46 1/2¢; No.1 Durum (Duluth) 45 1/2 to 47 1/2¢; No.2 rye Minneapolis 30 1/2 to 32 1/2¢; No.2 mixed corn Kansas City 28 1/2 to 29 1/2¢; Chicago 30¢; St. Louis 30¢; No.2 white corn Kansas City 29 1/2 to 30 1/2¢; St. Louis 30¢; No.2 yellow corn Kansas City 32 to 33¢; Chicago 30¢; St. Louis 30 3/4¢; No.3 yellow corn Minneapolis 31 to 34¢; Kansas City 31 to 32¢; Chicago 29 1/2¢; St. Louis (Nom.); No.2 white oats Chicago 19 3/4 to 21¢; St. Louis 19 1/2¢; No.3 white oats Minneapolis 18 1/2 to 20 1/2¢; Minneapolis 19 to 21¢; Chicago 18 to 20¢; St. Louis 18 3/4¢; Special No.2 barley Minneapolis 37 to 38¢; Chicago 33¢ to 40¢; No.1 flaxseed Minneapolis \$1.00 3/4 to \$1.04 3/4.

Livestock: Slaughter cattle, calves and vealers, steers (1100-1500 lbs.) good and choice \$7 to \$8.60; cows, good and choice \$3 to \$5.25; heifers (550-850 lbs.) good and choice \$6.25 to \$7.50; vealers, good and choice \$4.75 to \$5.75; feeder and stocker cattle, steers, good and choice \$5 to \$6.25; heavy weight hogs (250-350 lbs.) good and choice \$4.60 to \$5.05; light lights (140-160 lbs.) good and choice \$4.75 to \$5.10; slaughter pigs (100-130 lbs.) good and choice \$4.25 to \$4.75 (soft or oily hogs and roasting pigs excluded from above quotations). Slaughter sheep and lambs: Lambs, good and choice (90 lbs. down) \$5.50 to \$6.50.

Virginia Cobbler potatoes brought \$2.50-\$3 per stave barrel in eastern cities; \$2.20-\$2.25 f.o.b. Eastern Shore points. Southern sacked Bliss Triumphs \$1.50-\$1.60 per 100 pounds carlot sales in Chicago. Texas Yellow Bermuda onions 50¢-90¢ per 50-pound sack in consuming centers and California stock 65¢-85¢ in a few cities. California Salmon Meat cantaloupes \$2.50-\$3.50 per standard crate of 45 melons in terminal markets; 65¢-80¢ f.o.b. Brawley. Georgia Hiley peaches, medium to large sizes, \$3.50-\$4.50 per six-basket crate in New York City; \$2.50 f.o.b. Macon. Florida and Georgia Tom Watson watermelons, 24-30 pounds average, \$250-\$355 bulk per car in New York City.

\*Prices basis ordinary protein.

Wholesale prices of fresh creamery butter at New York were: 92 score, 17¢; 91 score, 16½¢; 90 score, 16¢.

Wholesale prices of No.1 fresh American cheese at New York were: Flats, not quoted; Single Daisies, 11 to 11½¢; Young Americas, 11 to 11½¢.

Wholesale prices of fresh eggs, mixed colors, at New York (Urner Barry Company quotations) were: Special Packed, 15¼ to 18¢; Standards, 14½ to 15¢; Rehandled Receipts, 13¾ to 14¢.

Average price of Middling spot cotton in 10 designated markets declined 2 points to 5.43¢ per lb. On the same day last year the price was 9.71¢. July future contracts on the New York Cotton Exchange declined 3 points to 5.60¢, and on the New Orleans Cotton Exchange declined 1 point to 5.60¢. (Prepared by Bu. of Agr. Econ.)

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# DAILY DIGEST

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Prepared in the Press Service, Office of Information, United States Department of Agriculture, for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Approval or disapproval of views and opinions quoted is expressly disclaimed. The intent is to reflect the news of importance.

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Vol. XLVI, No. 4

Section 1

July 6, 1932.

**THE PRESIDENT HALTS RELIEF BILL** President Hoover, in an eleventh-hour move, halted the \$2,100,000,000 unemployment relief bill last night until some arrangement more satisfactory to the administration could be worked out, according to the press today. The report says: "Within two hours after a conference agreement on the bill had been filed in the House, the President called officials of the Treasury and the Reconstruction Finance Corporation and leaders in Congress to a White House conference. After two hours of discussion it was announced that the conference report would be withdrawn today and that an effort to work out something more satisfactory to the President would be undertaken through a committee of the House and Senate led by Speaker Garner and the President himself...."

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**THE AGRICULTURE BILL** The press today says: "The agriculture supply bill, which had been held up by a Senate amendment proposing to appropriate \$1,450,000 to combat the grasshopper menace in the West, was finally disposed of by Congress yesterday, when the Senate receded from insistence on its grasshopper provision. The bill, carrying a total of \$175,408,814, but without any grasshopper provision, now goes to the President for signature. The House four times refused to yield on an appropriation for grasshoppers, turning down separately proposals to appropriate \$1,000,000, \$750,000, \$600,000 and \$600,000 for that purpose."

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**EMPLOYMENT AGENCY FUNDS ASKED** President Hoover, in a brief message to Congress yesterday, asked for a special appropriation to continue the activities of the President's organization on unemployment relief, says the press today. The Chief Executive pointed out that Congress had omitted an appropriation for the unemployment organization headed by Walter S. Gifford, in the second deficiency bill recently enacted.

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**DISARMAMENT CONFERENCE** A Geneva dispatch today says: "The disarmament conference headed yesterday toward taking an early vacation of indefinite length. In a secret meeting its steering committee decided that the conference, before dispersing, should issue a declaration for a triple purpose: 1. Paying respects to the Hoover plan. 2. Deferring action on its most essential army and navy chapters as well as on the French idea of organizing peace. 3. Making the most of all the other points on which it is found possible already to register agreement, which of course would bind no one...."

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**BRITISH-IRISH TARIFF** A London dispatch July 5 states that the House of Commons overwhelmingly empowered the British Government July 4 to impose a tariff up to 100 per cent on imports from the Irish Free State in retaliation against Eamon de Valera's refusal to pay the semi-annual instalment on Irish land annuities.

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## Section 2

Agriculture            J. Sullivan Gibson, writing on "Agriculture of the in West- Southern High Plains" in Economic Geography for July, says: ern Texas "Although large-scale cattle ranching no longer prevails on the Llano Estacado (Western Texas), yet the region still produces a great number of cattle. Even in the southeastern portion of the area where from fifty to seventy per cent of the farm land is cultivated there is sufficient pasture land left to support considerable numbers. But throughout much of the region cattle raising is carried on in connection with farming; and in recent years on many of the stock farms, farmers feed a considerable number of cattle each year. Cattle are somewhat equally distributed, not only in the Llano Estacado but over the Southern High Plains in general, and there is no area of special concentration. Although the lighter rainfall of the western section causes that area to have a much lower cattle-carrying capacity than the part farther east, yet the cultivated area throughout the west is small and the pasture land relatively high, thus keeping the cattle density about equal from east to west. In recent years there is tendency toward a higher grade of cattle throughout this area. Improved breeds including Herefords, Durhams, and other beef breeds have almost supplanted the Texas longhorn. These better breeds receive much more care and attention than the former ranch cattle received; and cattle values are much greater per unit area than was the case in former years. Throughout the region the ranches and pastures are much smaller than formerly. The wire fence has to a great extent eliminated the range rider; and the nature of the cattleman's work has been greatly changed. The fencing of pastures has made possible careful breeding, grading, and feeding, thus meeting the demands for high-grade stock throughout the region. Modern meat packing plants at Amarillo and Lubbock handle much of the beef, mutton, and pork produced in the region. These are proving a great asset to the livestock industry, eliminating the high freight costs to the Fort Worth and Kansas City markets. Most of the horses and mules raised in this area are used on the farms and ranches, there being relatively few sold outside the region. Horses outnumber mules only slightly in the eastern part where farming is most important; but farther west where the cattle industry dominates, mules are much less numerous than horses. Mules have proved somewhat superior to horses for work animals on the farms; but since the wide use of the tractor, both are of less importance now than formerly. The relatively high land value is prohibitive to economical sheep and goat raising in the Llano Estacado; and they are insignificant throughout the area. Only scattering bunches occur here and there, and little interest is shown in raising them either for meat or for wool. Hogs are increasing somewhat in numbers; but the two cash crops, cotton and wheat, are occupying much of the cultivated area, and little hog feed is produced. The prestige of the early cattle ranch continues to be strongly felt throughout the High Plains; and it is not probable that other livestock will ever rival cattle in this region."



British Milk Dis-tribu-tion      The Medical Officer (London) for June 18 says: "Dr. J. T. Macnab, M.O.H., has called attention to the excessive number of milk retailers in the borough of Stafford (England)--112 for 6,807 houses! He writes: 'If many of the small milk rounds could be amalgamated and properly managed, a great economy in delivery would be possible, and there would be greater efficiency than can be obtained under the present system. How can anyone justify the fact that almost every small street is visited by several milkmen each with a few houses to serve? It is, too, regrettable to find that persons who have failed at other jobs and are often far from models of cleanliness sometimes turn to a small milk round as a way to retrieve the family fortunes.' Doctor Macnab suggests that, properly handled, all milk could be raised to be at least grade A, without any increase in its cost to the public and without any fall in price to the producer."

Community Canning      An editorial in The New York Times for July 1 says: "Last summer several hundred towns and counties carried out successful food-conservation programs for the benefit of both the unemployed and families of low income. Many more are planning similar 'preserving bees' this year. To show them what has already been done and to help them avoid mistakes, the President's organization on unemployment relief has published the story of a few typical community kitchens. In general, the response of citizens to a call for canning help has shown gratifying resourcefulness and a fine feeling of solidarity in the neighborhood. There is naturally a great variety of methods and products. A small Louisiana town and a county in Missouri have different kinds of people and different fruits and vegetables. The one point of agreement among most of the leaders everywhere is expressed in the belief that the greatest permanent value is obtained when those in need of the preserved food are instructed in proper methods and aided by supervision, and by supplying necessary equipment, to do the work themselves. Some communities are canning the produce from their own gardens. Others are receiving donations from gardens elsewhere. While fruits and vegetables of all kinds are plentiful and cheap, the community canners are striving to attain three objects. They want to let families with little or no income work at the preserving so that their needs may be cared for through their own efforts so far as possible. They want to teach them the economy of efficient home preserving, and hope to assure them a healthful diet...."

Creditor Nation Stand-ards      An editorial in Barron's for July 4 says: "Nothing more strikingly illustrates the contrast between our handling of ourselves as a creditor nation and the way in which Great Britain is handling herself than the matter of financing such international trade as is still being conducted. Since last September the pound sterling has been detached from its gold anchorage, while the dollar is still securely swinging at its moorings with no apparent weakness in the anchor chains. Yet a large part of the outside world still prefers to settle its international trade

in pounds sterling, even though facilities for 'coverage' by futures are--or have thus far been--by no means ample. London is still doing the business much as she did. With all the chances in our favor we have failed to take advantage of them. Foreign balances still seek the London market, while balances here have been drawn down to the lowest levels in years. Could anything more plainly point the moral? Yet another notable phenomenon: Despite the unprecedented decline in our domestic securities, railroad, industrial, and commercial, there is yet no sign of foreign buying. In previous depressions this buying was always a marked feature in panic stage, but, up to now, it has been conspicuous by its absence. It is not that there is no foreign capital seeking investment; there may not be a great deal, but there is certainly some, and it is not seeking our market. Evidently it is not the 'natural resources' and 'natural wealth' of this country that are questioned, but our capacity to handle these things....One way in which to describe the present 'depression' is to recognize it as the relentless pressure of a fact upon a state of mind that is stubbornly resisting that fact. The fact is that, whether we like it or not, we are economically committed to world interdependence as the price of maintenance of the living standards to which we have become accustomed in the past generation. We are witnessing today a rapid withering away of those standards, more rapid in fact than we have yet realized, despite the 'hard times,' and it seems that the process must continue until we come to our senses and accept the fact...."

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Section 3

Department of           Walter E. Burton, writing on the work of Department  
Agricul- of Agriculture plant explorers under the title "Treasure Hunters  
ture       Comb Earth for Priceless Plants," in Popular Science Monthly for  
August, says: "Whenever you eat an avocado, a mangosteen, bamboo  
sprout, or bread made from durum wheat; enjoy choice steak or  
pork chops from cattle or hogs fed on alfalfa and soy beans; or  
marvel at the beauty of an Oriental lily, you are reaping the  
benefit of work done by a handful of explorers who devote their  
lives to the search for new and valuable plants that will grow  
in the United States. Only recently, exotic plants and fruits  
from the islands of the Caribbean were brought to Washington by  
these strange treasure hunters. Sixteen cases of potted growing  
plants and a large quantity of seeds preserved in cold storage  
were landed at the Government wharf and inspected, classified  
and fumigated. To secure these specimens, trails were cut  
into jungles and tropical swamps were invaded. Whole trees were  
cut down and huge burdens borne out on the shoulders of men.  
Thus seventy-two palms, 106 fruit and nut trees, and 333 orna-  
mental plants were carried from the wilderness and brought to  
America. Here they will be tested, developed, civilized, and no  
one can say what their future value may be. This is but one small  
instance of the work done by the Plant Introduction Division of  
the Department of Agriculture. No spot on earth is too remote



or too inaccessible for the men of this division to invade. Into the jungles of Central America and Africa, the deserts of Mongolia, fruit markets of the Orient, and the back yards of foreign cities they go to gather seeds, scions, and living plants. Their work is fascinating, romantic, adventurous, and sometimes dangerous. It has long periods when no outstanding discovery is made. Then one trip may yield a useful crop like the soy bean which will pay for the next thousand years of exploring. On the other hand it may be that an American product will save a distant land from famine. This is what happened recently as the result of work done by Dr. Charles F. Swingle, a plant explorer who in 1929 carried into the arid regions of Madagascar the drought-resistant tepary bean from Arizona. The handful of seeds Swingle gave the natives grow readily and this year over 6,000 pounds of the beans were planted and their rich yield is expected to take the place of the prickly pear, practically destroyed by the cochineal insect. Thus by exchange does America pay its debts and plants travel around the world...."

#### Section 4 MARKET QUOTATIONS

#### Farm Products

July 5.--Grain: No.1 dark northern spring\* Minneapolis 52 1/4 to 54 1/4¢; No.1 northern spring\* Minneapolis 52 1/4 to 54 1/4¢; No.1 hard winter\* Kansas City 41 1/2 to 43 1/2¢; No.2 hard winter\* Kansas City 41 to 42 3/4¢; Chicago 49 to 49 1/2¢; St. Louis 48¢; No.1 S.R. Winter St. Louis 47 1/2¢; No.2 S.R. Winter Kansas City 41 to 41 3/4¢; Chicago 48 3/4 to 49¢; St. Louis 47 to 48¢; No.1 W. Wh. Portland 48¢; No.2 Am. Dur.\* Minneapolis 42 3/8 to 46 3/8¢; No.1 Durum (Duluth) 45 3/8 to 47 3/8¢; No.2 rye Minneapolis 30 1/2 to 32 1/2¢; No.2 mixed corn Kansas City 28 1/2 to 29 1/2¢; Chicago 30¢; St. Louis 29¢; No.2 white corn Kansas City 29 to 30¢; St. Louis 29¢ (Nom.); No.2 yellow corn Kansas City 33 to 33 1/2¢; Chicago 30¢; St. Louis 30 1/4 to 30 3/4¢; No.3 yellow corn Minneapolis 30 1/2 to 32 1/2¢; Kansas City 32 to 32 1/2¢; Chicago 29 1/2¢; St. Louis 30 to 30 1/4¢; No.2 white oats Kansas City 21 1/2 to 22¢; Chicago 19 3/4 to 21 1/2¢; St. Louis 19 1/4¢; No.3 white oats Minneapolis 18 1/2 to 20 1/2¢; Kansas City 19 to 21¢ (Nom.); Chicago 19 to 21¢; St. Louis 18 1/2¢ (Nom.); Special No.2 barley Minneapolis 36 to 37¢; Chicago 33 to 44¢; No.1 flaxseed Minneapolis 99 to \$1.03.

Livestock at Chicago: Slaughter cattle, calves and vealers, steers (1100-1500 lbs.) good and choice \$7 to \$8.75; cows, good and choice \$3 to \$5; heifers (550-850 lbs.) good and choice \$6.25 to \$7.50; vealers, good and choice \$4.75 to \$6; feeder and stocker cattle, steers, good and choice \$5 to \$6.25; heavy weight hogs (250-350 lbs.) good and choice \$4.75 to \$5.10; light lights (140-160 lbs.) good and choice \$4.80 to \$5.15; slaughter pigs (100-130 lbs.) good and choice \$4.35 to \$4.90 (soft or oily hogs and roasting pigs excluded from above quotations). Slaughter sheep and lambs: Lambs, good and choice (90 lbs. down) \$5.75 to \$6.75.

\* Prices basis ordinary protein.

Wholesale prices of fresh creamery butter at New York were: 92 score,  $16\frac{3}{4}\phi$ ; 91 score,  $16\frac{1}{4}\phi$ ; 90 score,  $15\frac{3}{4}\phi$ .

Wholesale prices of No.1 fresh American cheese at New York were: Single Daisies, 11 to  $11\frac{1}{2}\phi$ ; Young Americas, 11 to  $11\frac{1}{2}\phi$ .

Wholesale prices of fresh eggs, mixed colors, at New York (Urner Barry Company quotations) were: Special Packed,  $15\frac{1}{4}$  to  $18\phi$ ; Standards,  $14\frac{3}{4}$  to  $15\phi$ ; Rehandled Receipts,  $13\frac{3}{4}$  to  $14\phi$ .

Average price of Middling spot cotton in the ten designated markets declined 1 point to  $5.58\phi$  per lb. On the corresponding day one year ago the price stood at  $9.36\phi$ . July future contracts on the New York Cotton Exchange declined 2 points to  $5.76\phi$ , and on the New Orleans Cotton Exchange advanced 1 point to  $5.77\phi$ .

Virginia Cobbler potatoes \$2.35-\$3 per stave barrels in eastern cities; \$2.10-\$2.15 f.o.b. Eastern Shore points. North Carolina Cobblers \$2.40-\$2.75 in the East. Oklahoma and Arkansas sacked Bliss Triumphs \$1.50-\$1.60 per 100 pounds sacked carlot sales in Chicago with f.o.b. sales  $80\phi$ - $85\phi$  at Orrick, Missouri. California Salmon Meat cantaloupes \$2.25-\$3 per standard crate of 45 melons in city markets;  $65\phi$ - $80\phi$  f.o.b. Brawley. Georgia Hiley peaches, medium to large sizes, \$3.25-\$4 per six-basket crate in New York City. Georgia Early Rose \$2.50-\$3.25 in the East. Florida and Georgia Tom Watson watermelons, 24-30 pounds average, \$125-\$290 bulk per car in New York City. (Prepared by Bu. of Agr. Econ.)

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# DAILY DIGEST

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Prepared in the Press Service, Office of Information, United States Department of Agriculture, for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Approval or disapproval of views and opinions quoted is expressly disclaimed. The intent is to reflect the news of importance.

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Vol. XLVI, No. 5

Section 1

July 7, 1932.

## THE RELIEF BILL

The press today says: "The \$2,100,000,000 unemployment relief bill last night was caught hard in the jaws of a struggle between President Hoover and Speaker Garner of the House, as to the manner in which \$1,500,000,000 of the fund is to be released through the Reconstruction Finance Corporation for the alleviation of economic paralysis. Speaker Garner wants the money to flow out to small, individual sufferers as well as to big business--to any person or corporation which can give adequate security....President Hoover insists that such an undertaking to reach out and help every distressed individual would make the Reconstruction Finance Corporation 'the most gigantic banking and pawnbroking business in all history,' and in a statement last night reiterated his threat to veto the relief measure if it came to him bearing the Garner proposition...."

## HOME LOAN LEGISLATION

The Senate yesterday amended the home loan bank bill to limit its lending life to five years and its total life to fifteen years, according to the press today.

## CHINA DESIRES WHEAT

A Chicago dispatch today says: "Chinese palates, whetted by 15,000,000 bushels of Federal Farm Board wheat, may furnish American farmers with a new market larger than any they have ever had. The National Republic of China was 'very anxious' to buy more, George S. Milnor, president of the Farmers National Grain Corporation, said yesterday, but the board 'doesn't feel justified' in granting China's request for credit terms even more liberal than of the first bargain last year...."

## GRAIN BOARD WHEAT

A Chicago dispatch today says: "The Farmers' National Grain Corporation reported yesterday that the cash wheat stocks of its marketing subsidiary, the Grain Stabilization Corporation, were, on July 1, less than enough to supply the Nation's average demands for three weeks. Authorization by Congress for the American Red Cross to procure 45,000,000 additional bushels of farm board wheat for relief, George S. Milnor, said, has reduced the company's cash holdings to approximately 28,000,000 bushels."

## FARM PRICES

A Chicago dispatch today says: "A month of uninterrupted advances in hog prices and rising cattle and grain quotations yesterday went far to lift the gloom which had settled upon meat packing, Chicago's greatest industry. Bankers, packers, traders and farm paper editors agreed that the 57 per cent advance in swine, the 17 per cent advance in cattle and the lesser advances in grains made up some of the most cheerful news to come out of the Mid-West financial centers since the business slump began three years ago...."

## Section 2

Business            The Business Week for July 6 says: "The first half year  
Situa- finishes off with security markets and most trade indicators ap-  
tion            parently settling for a long summer siesta from which the politi-  
cal fireworks in Chicago and the Fourth of July speeches offer  
nothing to rouse them....Indeed, during the dog-days immediately  
ahead we are promised the paradoxical spectacle of business  
shutting down till business picks up, which will be the neatest  
trick of the year....Lausanne seems to be going the way of all  
conferences....Steel output has receded further toward the ultra-  
microscopic percentages of capacity or total suspension expected  
this summer; building contracts are declining even in the public  
works classification, and the recent improvement in electric pow-  
er performance appears to be petering out....Coal production and  
check payments have dropped to new low levels....Bonds are slosh-  
ing about in a soft market, and the stock averages are hesitating  
at the bear market lows....The unseasonably sharp rise in car-  
loadings is encouraging, though interpreted partly as tax-  
anticipation traffic....Despite this uninspiring picture of stag-  
nation there is some significance in the fact that the general  
level of business activity, as measured by our index, has shown  
little change during the second quarter of this year, that com-  
modity prices have been fairly steady for several weeks, that se-  
curity markets have suffered no net loss in June, and that the  
volume of bank credit in the main money centers has been reasonably  
stable since March....It may be that the storm has about blown it-  
self out, and the time to rebuild has come."

English            An editorial in The New York Times for July 1 says:  
Bank            "Yesterday's reduction of the Bank of England's official dis-  
Rate            count-rate to 2 per cent is in its way historic. Perhaps for  
the first time since pre-war days it is now lower than any other  
bank rate in the world. No lower rate has ever been fixed in  
the history of the bank itself, and it is nearly thirty-five  
years since a 2 per cent bank rate last existed at London. On  
that earlier occasion, as at the present time, it was testimony  
to the extreme deflation of credit during the depression follow-  
ing a great financial crash. In America the financial panic of  
that day occurred in August, 1893; in the trade reaction of the  
next two years thirty-day loans on Wall Street went repeatedly  
at 1 and  $1\frac{1}{2}$  per cent....The main implication of this Bank of  
England rate is the low ebb to which world-wide requisitions on  
credit have shrunk, both in finance and industry. At London the  
lowering of the bank rate in times of depression has also tra-  
ditionally been associated with a desire to stimulate trade by  
easy money, and it is probable that this motive has affected the  
present decision....This week's action at London has still  
another meaning. The rate had fallen to  $2\frac{1}{2}$  per cent a year ago,  
but it was forced up to 6 during last September's crisis in the  
British currency. Similarly, our own Reserve Bank rate was  
raised from  $1\frac{1}{2}$  per cent to  $3\frac{1}{2}$  last October, when the run of the  
European central banks on our gold reserve began. But the Re-  
serve Bank rate has now been reduced again to  $2\frac{1}{2}$ , and this, like



the Bank of England's present reduction to 2 per cent, appears to express belief that the abnormal requisitions on the gold fund have ended."

Farmer                    Clyde D. Harris, writing under the title "Farming is Adjust- Prepared for Business Revival" in American Bankers Association ments Journal for July, says: "Farmers have gone a long way in making the necessary adjustments to meet present conditions. Many have learned to make crops without borrowing money. Crops are produced at the very minimum of expense. From necessity, perhaps, a cheaper crop was never made than will be produced this year.... Agriculture already has taken its 'cut.' When industry and commerce have gone as far towards making adjustments to changed conditions as agriculture, we shall again see better times. Since agriculture has gone further than any other industry in making its adjustments, we believe it should be the first to see the return of prosperity. If agriculture does lead the way out of this depression, it will not be without precedent. Of course, no one will deny that agriculture is in a bad way. At present price levels, the majority of farmers can not make enough to pay taxes, not to speak of interest on indebtedness. If present price levels continue, it will mean ruin for most farmers. The present plight of certain joint stock land banks, drainage districts and other institutions depending altogether on the farm situation is evidence of this fact. The farmer who owes on his land is up against it under present conditions....But farmers have gone about as far as they can in adjusting themselves to present conditions so far as reducing operating costs is concerned. Any additional help must come from some other source. The two main sources of relief lie in a reduction in taxes and in reducing the inequality that exists between the cost of what the farmer sells and what he has to buy. Perhaps high taxes have more to do with the inability of the farmer to make earnings than anything else. The taxes on farm property are more than two and one-half times what they were in 1914. The average tax from 1922-27 was 23.3 per cent of the net income, or close to one-fourth of the net return. Under present conditions perhaps considerably more than one-half of net return is required to pay taxes...."

Food Ed-                    The Medical Officer (London) for June 18 says: "The ucation Food Education Society, formerly the National Food Reform Association, with Sybil, Viscountess Rhondda, as hon. president, Dr. Harry Campbell as chairman and Charles E. Hecht as honorary secretary, has been at work since 1908 to promote the education of the people in dietetics. It has always endeavored to run straight, for Mr. Hecht, who has been most active in its interests, is an enthusiast and not a fanatic; a distinction which is important....The investigations in dietetics which have been so abundant during the present century have not belied the earlier researches which crystallized in the teaching of Sir Michael Foster, but they have added so much to them that dietetics founded upon Foster alone would be exceedingly weak. Moreover,

the shift of economic conditions has rendered teaching upon Foster of comparatively little importance and that upon recent discoveries to be paramount and of increasing value. It has been proved over and over again that Foster was perfectly right in his broad principles: Man requires 3,000 calories; proteids, fats and carbohydrates in the proportion of 1: 1: 4 with calory values of about 1: 2: 1 per unit; that he requires 3,000 grammes of carbon and 200 grammes of nitrogen per day, etc. But we know today that there is little difficulty in anybody getting this. We have found that man normally gets it for himself, that he does not exceed it if he is able to do so, and that he can generally manage to get his quota under most adverse circumstances. But we have no reliable instinct to lead us to take the most serviceable foods or to discriminate between foods of equal calory values and similar composition as regards the proximate principles. Nor do our instincts help us to detect sophistication and deprivation, two things that we do to 'normal' foods which alter their values without altering their appeal to the senses...."

Gold Standard      An editorial in The Wall St. Journal for July 6 says: "...If we go off the gold standard it is more than likely to be the consequence of our own deliberate acts; as for example, our choice of currency inflation as a supposed cure for the ills of a depressed commodity price level and onerous debt burden. As for the effects of such a step here, there are no valid modern precedents to go by. The results in Great Britain were not those anticipated; there is no assurance that the results here would be similar to those over there, except that we would be put in a more favorable position to sell goods to the countries already off gold; how much more favorable would depend upon the extent of the ensuing depreciation of the dollar in relation to their currencies. Britain has done well enough so far with the 'managed currency' that automatically results from going off gold, but management in that case has consisted in religiously leaving supply and demand to fix the price of the pound and resisting all temptation to ease the tax burden by resort to the printing press....England's going off the gold basis was not the momentous event it would have been, say, before the World War, when she was the undisputed financial center and the rest of the world's finances were practically tied up with sterling. But our going off gold now would be more nearly like Britain's desertion of the metallic base before the war, supposing that event to have taken place then. It would completely upset such partial equilibrium as the monetary systems of the world now obtain through efforts to relate them to the dollar. Great Britain, for instance, in her present attempt to give the pound relative stability and prepare for rehabilitation or readjustment of her currency on the gold standard, is anchoring her monetary system to the United States dollar. Hence maintenance of a steady value for the latter just now is more than ever of world-wide concern...."



Sugar  
Market

An editorial in Facts About Sugar for July says: "The principal obstacle to that moderate degree of recovery in the sugar market which is justified by the slow but steady improvement in the underlying situation of this great world commodity is the attitude of hopeless pessimism to which the sugar trade of the United States has surrendered itself. Since New York is the greatest of sugar markets its attitude profoundly influences all other centers of trade and it is undeniable that New York has been laboring under a depression complex regarding sugar that does not prevail elsewhere. As one has opportunity to observe trade sentiment in other markets the contrast becomes more noticeable. In the United Kingdom business moves in its customary course. There is no let down in consumption, but on the other hand a small but well sustained gain. While sugar from many parts of the world comes to London it is the competition of Cuban sugar based on its New York price that determines the market level. Consequently London follows New York in the matter of current quotations, though not descending to the full depths gauged by the latter in recent months."

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Section 3  
MARKET QUOTATIONS

Farm  
Products

July 6.--Grain: No.1 dark northern spring\* Minneapolis 54 1/4 to 56 1/4¢; No.1 northern spring\* Minneapolis 54 1/4 to 56 1/4¢; No.1 hard winter\* Kansas City 43 to 44 1/4¢; Chicago 50¢ (New); No.2 hard winter\* Kansas City 42 3/4 to 44¢; Chicago 50¢ (New); St. Louis 49¢ (Nom.); No.1 S.R. Winter St. Louis 48 1/4 to 48 1/2¢; No.2 S.R. Winter Kansas City 43 1/4 to 44 1/2¢; Chicago 49 3/4 to 50¢ (old); St. Louis 47 3/4 to 48¢; No.1 W. Wh. Portland 48 1/2¢; No.2 Am. Dur.\* Minneapolis 43 3/4 to 47 3/4¢; No.1 Durum (Duluth) 46 3/4 to 48 3/4¢; No.2 rye Minneapolis 31 to 33¢; No.2 mixed corn Kansas City 29 1/2 to 30 1/2¢; St. Louis 31¢; No.2 white corn Kansas City 30 to 31 1/2¢; No.2 yellow corn Kansas City 34 to 34 1/2¢; Chicago 30 1/2 to 30 3/4¢; St. Louis 31 1/4 to 31 1/2¢; No.3 yellow corn Minneapolis 33 to 34¢; Kansas City 33 to 33 1/2¢; St. Louis 30 3/4 to 31¢; No.2 white oats Chicago 20 1/2 to 21 3/4¢; St. Louis 20¢; No.3 white oats Minneapolis 18 3/4 to 20 3/4¢; Kansas City 20 to 22¢; Chicago 19 3/4 to 20¢; St. Louis 19 1/2¢ (Nom.); Special No.2 barley Minneapolis 36 to 37¢; Chicago 33 to 40¢; No.1 flaxseed Minneapolis 99 to \$1.03.

Livestock prices at Chicago: Slaughter cattle, calves and vealers, steers (1100-1500 lbs.) good and choice \$7.25 to \$9; cows, good and choice \$3 to \$5; heifers (550-850 lbs.) good and choice \$6.50 to \$8; vealers, good and choice \$5 to \$6.50; feeder and stocker cattle, steers, good and choice \$5 to \$6.25; heavy weight hogs (250-350 lbs.) good and choice \$4.90 to \$5.05; light lights (140-160 lbs.) good and choice \$4.90 to \$5.25; slaughter pigs (100-130 lbs.) good and choice \$4.50 to \$5 (soft

\*Prices basis ordinary protein.

or oily hogs and roasting pigs excluded from above quotations). Slaughter sheep and lambs: Lambs, good and choice (90 lbs. down) \$6 to \$6.90.

Virginia Cobbler potatoes \$2.50-\$2.90 per stave barrel in eastern cities; mostly \$2 f.o.b. Eastern Shore points. Kansas and Missouri sacked Cobblers \$1.45-\$1.50 carlot sales per 100 pounds in Chicago; \$1 f.o.b. at Orrick and Kaw Valley. California and Arizona Salmon Meat cantaloupes \$1.75-\$2.75 per standard crate of 45 melons in city markets; 75¢-85¢ f.o.b. at Phoenix and 65¢-75¢ f.o.b. Brawley. Georgia Hiley peaches, medium to large sizes, \$3-\$3.75 per six-basket crate in the East; \$2 f.o.b. Macon. Georgia Early Rose \$2.25-\$3.25 in New York City and \$1.75 f.o.b. Macon. Florida and Georgia Tom Watson watermelons, 24-30 pounds average, \$185-\$250 bulk per car in New York City.

Average price of Middling spot cotton in the ten designated markets advanced 30 points to 5.88¢ per lb. On the corresponding day one year ago the price stood at 8.95¢. July future contracts on the New York Cotton Exchange advanced 29 points to 6.05¢, and on the New Orleans Cotton Exchange advanced 29 points to 6.06¢.

Wholesale prices of fresh creamery butter at New York were: 92 score, 16 $\frac{3}{4}$ ¢; 91 score, 16 $\frac{1}{4}$ ¢; 90 score, 16¢.

Wholesale prices of No.1 fresh American cheese at New York were: Single Daisies, 11 to 11 $\frac{1}{2}$ ¢; Young Americas, 11 to 11 $\frac{1}{2}$ ¢.

Wholesale prices of fresh eggs, mixed colors, at New York (Urner Barry Company quotations) were: Special Packed, 15 $\frac{1}{4}$  to 18¢; Standards, 14 $\frac{3}{4}$  to 15¢; Rehandled Receipts, 14 to 14 $\frac{1}{4}$ ¢. (Prepared by Bu. of Agr. Econ.)

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# DAILY DIGEST

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Prepared in the Press Service, Office of Information, United States Department of Agriculture, for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Approval or disapproval of views and opinions quoted is expressly disclaimed. The intent is to reflect the news of importance.

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Vol. XLVI, No. 6

Section 1

July 8, 1932.

## AGRICULTURE BILL SIGNED

President Hoover yesterday signed the \$175,000,000 Agriculture Department appropriation bill, according to the press today.

## HOUSE PASSES RELIEF BILL

The House yesterday passed the unemployment relief bill carrying the \$322,000,000 public works provision opposed by the President. (Press, July 8.)

## THE LAUSANNE CONFERENCE

A Lausanne, Switzerland, dispatch today says: "French and British delegates announced an agreement early today on the preamble of a reparations settlement. They expressed hope the German delegation to the conference, having relinquished all political demands, would accept it today....It was understood that the French and British had decided to propose that Germany put up a bond of 3,000,000,000 marks (approximately \$720,000,000) which would take the place of reparations...."

## BRITISH DIS- ARMAMENT

A London dispatch today states that the British Government announced yesterday what steps it was willing to take in the reduction of world armaments by one-third, as proposed by President Hoover. In a statement read in the House of Commons by Stanley Baldwin the government declared its eagerness to reduce armaments one-third "by immediate international agreement"--but with one all-important difference. Whereas the American proposal demanded a reduction of one-third in the treaty number and tonnage of battleships, the British now propose a reduction of one-third in tonnage and one-third in gun calibre of all categories of naval vessels.

## CHILEAN NITRATE CONFERENCE

A Paris dispatch July 7 says: "Representatives of European and Chilean nitrate producers opened a meeting in Paris July 6 in another effort to form a cartel to regulate exports and prices.... Although the French are not producers, they are joining the negotiations because France is one of the greatest markets for nitrate in the world. United States producers are not represented, but if an accord is reached by the others they will be asked to join the cartel. Although ten countries have sent delegates, the parley is dominated by the German I. G. Farbenindustrie, the Norwegian Norsk Hydro and the Chilean Cosach, which Medley G. B. Whelpley of New York is representing."

## CUBAN SUGAR POOL

A Havana dispatch July 3 states that despite the announcement of the Sugar Institute on June 28 of a project for forming an 800,000-ton sugar pool, it has been abandoned and negotiations during the previous days between Cuban and American sugar holders paved the way for the obligatory formation of the 700,000-ton pool by a decree signed by President Machado July 2.

## Section 2

## Canadian

Banking says: "Eating humble pie is never a popular form of gastronomy, but that is what the banking system of this country must do as regards comparison with Canada. In wealth and population we far outshine this northern neighbor, but in the safety superiority of its banking structure over ours the contrast is startling. This is so manifestly the case that people are beginning to ask pointed questions. There have been no bank failures in Canada in nearly ten years, and Senator Glass in a public address has declared that total losses to depositors in sixty-five years have been less than fourteen million dollars. Yet it would be difficult to find two more similar countries, and the relations between them are of the closest. What, then, is the answer?...The size and fewness of Canadian banks mean that able bankers can be found to run them. This does not mean that Canadian or British bankers are inherently superior to the American brand. But we have nineteen or twenty thousand banks, and did have thirty thousand ten years ago. There are not that many able bankers in the world. In addition, the Canadian system has probably provided its thousands of employees with somewhat superior training in the rules and mechanics of banking than have our thousands of small and separate units....It must be borne in mind in this connection that Canada has only one banking law and that we have fifty separate banking laws--one national, one for the District of Columbia and forty-eight for the different States. Naturally, a general policy is more readily enforced in Canada than here. There are still other differences between the banks in the two countries, such as in dividend policies and reserve practices, but the important points are those already stressed...."

Farm Funda-  
mentals

mentals An editorial in Wisconsin Agriculturist and Farmer for June 25 says: "While we note the so-called 'back to the farm' movement with mixed emotions and opinions, most of us who were raised in the country will agree that 'back to farm fundamentals' sounds better. Farm butchering and meat curing, home bread making and canning and preserving--those household farmstead crafts, with selective 'forestry' for fuel supplies--certainly appear to have come back once more. Modern methods and scientific improvements in technic have come to the aid of farm folks in butchering, canning, bread making and fuel wood cutting. Beginners in any of those worthy arts of thrift need no longer grope for recipes or be dubious about their ability to dress and cure pork well, can meats, fruits and vegetables successfully at low cost, make bread with suitable tested flour and other ingredients, or reduce the labor of fuel making with modern tools. Apparently, then, progress has not neglected certain ancient arts--much as we have been led to think otherwise. Indeed, modern thrifty farmers are aided in their zeal for doing things for themselves by scores of agencies, both public and commercial. He who would return to farm fundamentals in utilizing home resources finds greater opportunity with less risk of failure today than when the pioneers of Wisconsin



followed blindly with makeshift methods. Therefore, when we hear the recent report that 900 Wisconsin farm families in a dozen counties saved an average of \$340 a year on farm produce, garden supplies and fuel in comparison to current values of the same goods in cities, we know that the way is made simpler because of universal access to tested methods of doing old things better. Let us thank those agencies which kept alive those thrifty arts and improved upon them."

Illinois Relief Omar H. Wright, writes of the meeting of a local relief problem in an Illinois community in American Bankers Association Journal for July. He says: "Our town's 10,000 population, with about 150 families getting relief, is approximately half farming and half industrial. It is worth emphasizing that our community has avoided turning to State or Federal sources of aid. Our only outside help has been a car of flour from the Red Cross. How many needy families there will be by next spring, unless an industrial upturn intervenes, is hard to estimate. This year, contrary to previous experience, the number of increased right through the spring months. Actually, several families which last year contributed to the relief fund, are now on the list of those getting help from it!...Important for meeting the next eight or ten months is our garden project. The committee has some 50 acres of good garden land in town and on the outskirts, in charge of a supervisor. He visits the families, assigns a garden to the man who needs and can handle one, and helps map it out for proper crops. Our town's gardens are laid out primarily to yield enough storage crops to carry the family through the winter, with only secondary attention to the summer's food. The women's auxiliary of the committee has taken under its wing the whole subject of canning; prodigious quantities were put up last summer. In fact, without the home canning and the stored potatoes, cabbage and carrots, it is a question how our unemployed families could have come through the winter. We are counting even more heavily on this form of self-help for next winter's needs. Other specific methods have been devised, in comparison small but in the aggregate important. For example, instead of buying packaged breakfast foods the committee buys wheat and has it cracked locally. It obtains and distributes skim milk from creameries, practically as palatable as whole milk and almost as nourishing, for less than half the cost of whole milk...."

National Income An editorial in Barron's for July 4 says: "'Who got the bulk of the \$87,000,000,000 of income realized by the American people in 1929?' asked Senator Thomas J. Walsh in his speech as permanent chairman at the Democratic National Convention. No one replied to the question, but Echo might have answered 'The forgotten man.' First, let us understand what national income means. It may be understood by some that \$87,000,000,000 was received by certain persons in cash or bankable funds, but such is not the case. Though the total is expressed in dollars, 'national income' means the total value of all goods produced and



evident, which later may be responsible for the respiratory disturbances, such as are found associated with the A avitaminosis--the common cold, bronchitis and bronchopneumonia. This is, let it be vigorously emphasized, a tentative hypothesis. It does not warrant the exploitation of common dietary sources or concentrates of vitamins as cures of colds or influenza; but these experiments represent a step in the direction of progress in elucidating what resistance and immunity may involve."

### Section 3 MARKET QUOTATIONS

#### Farm Products

July 7.--Grain: No.1 dark northern spring wheat\* Minneapolis 54 1/4 to 56 1/4¢; No.1 northern spring\* Minneapolis 54 1/4 to 56 1/4¢; No.1 hard winter\* Kansas City 44 1/4 to 45 1/2¢; No.2 hard winter\* Kansas City 43 3/4 to 45¢; Chicago 50 to 52¢ (New); St. Louis 49¢ (Nom.); No.1 S.R. Winter St. Louis 50¢ (Nom.); No.2 S.R. Winter Kansas City 44 1/4 to 44 1/2¢; Chicago 50 3/4¢; St. Louis 49¢; No.1 W. Wh. Portland 48 1/2¢; No.2 Am. Dur.\* Minneapolis 43 1/4 to 47 1/4¢; No.1 Durum (Duluth) 46 1/4 to 48 1/4¢; No.2 rye Minneapolis 30 7/8 to 32 7/8¢; No.2 mixed corn Kansas City 29 1/2 to 30 1/2¢; St. Louis 31 1/2¢ (Nom.); No.2 white corn Kansas City 30 1/2 to 31 1/2¢; St. Louis 31¢ (Nom.); No.2 yellow Kansas City 35 to 35 1/2¢; Chicago 31 3/4 to 32¢; St. Louis 32 to 32 1/2¢; No.3 yellow corn Minneapolis 33 to 34¢; Kansas City 34 to 34 1/2¢; St. Louis 31 3/4 to 32¢; No.2 white oats Chicago 20 3/4 to 21 1/2¢; St. Louis 20 1/2 to 21¢ (Nom.); No.3 white oats Minneapolis 18 1/2 to 20¢; Kansas City 20 to 22¢; Chicago 19 1/4 to 21¢; St. Louis 20¢ (Nom.); Special No.2 barley Minneapolis 36 to 37¢; Chicago 33 to 40¢; No.1 flaxseed Minneapolis 98 1/2 to \$1.02 1/2.

Livestock: Slaughter cattle, calves and vealers, steers (1100-1500 lbs.) good and choice \$7.50 to \$9; cows, good and choice \$3.25 to \$5.25; heifers (550-850 lbs.) good and choice \$6.50 to \$8; vealers, good and choice \$5.50 to \$7; feeder and stocker cattle, steers, good and choice \$5.25 to \$6.25; heavy weight hogs (250-350 lbs.) good and choice \$4.80 to \$5.25; light lights (140-160 lbs.) good and choice \$4.85 to \$5.25; slaughter pigs (100-130 lbs.) good and choice \$4.50 to \$4.90 (soft or oily hogs and roasting pigs excluded from above quotations). Slaughter sheep and lambs: lambs, good and choice (90 lbs. down) \$6.50 to \$7.50.

Virginia Cobbler potatoes brought \$2.15-\$2.85 per stave barrel in eastern cities with f.o.b. sales \$1.90-\$2 at Eastern Shore points. Oklahoma sacked Bliss Triumphs \$1.50-\$1.60 per 100 pounds carlot sales in Chicago; few 95¢-\$1.05 f.o.b. Muskogee.

\*Prices basis ordinary protein.



Texas and California Yellow Bermuda onions, U.S. Commercials, 80¢-\$1.15 per 50-pound sacks in consuming centers. California Salmon Meat cantaloupes \$1.75-\$2.50 per standard 45s in city markets. Arizona \$1.75-\$2.50 in a few cities with f.o.b. sales 75¢-85¢ at Phoenix. Georgia Hiley peaches, medium to large sizes, ranged \$2.25-\$4 per six-basket crate in the East; \$2-\$2.25 f.o.b. at Macon. Georgia Early Rose \$2.50-\$3.25 in New York City.

Wholesale prices of fresh creamery butter at New York were: 92 score, 17¢; 91 score, 16 $\frac{3}{4}$ ¢; 90 score, 16 $\frac{1}{2}$ ¢.

Wholesale prices of No.1 fresh American cheese at New York were: Single Daisies, 11 to 11 $\frac{1}{2}$ ¢; Young Americas, 11 to 11 $\frac{1}{2}$ ¢.

Wholesale prices of fresh eggs, mixed colors, at New York (Urner Barry Company quotations) were: Special Packed, 15 $\frac{1}{4}$  to 18¢; Standards, 14 $\frac{3}{4}$  to 15¢; Rehandled Receipts, 14 to 14 $\frac{1}{4}$ ¢.

Average price of Middling spot cotton in the ten designated markets declined 19 points to 5.69¢ per lb. On the corresponding day one year ago the price stood at 8.73¢. July future contracts on the New York Cotton Exchange declined 18 points to 5.87¢, and on the New Orleans Cotton Exchange declined 21 points to 5.85¢. (Prepared by Bu. of Agr. Econ.)

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# DAILY DIGEST

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Prepared in the Press Service, Office of Information, United States Department of Agriculture, for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Approval or disapproval of views and opinions quoted is expressly disclaimed. The intent is to reflect the news of importance.

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Vol. XLVI, No. 7

Section 1

July 9, 1932.

## THE FURLOUGH PLAN

The Associated Press today says: "The thirty-day furlough imposed on more than 500,000 of the Government's employees by the economy bill will result in deduction of  $2\frac{1}{2}$  days' pay from each monthly pay envelope, effective July 1. This ruling was made yesterday by Comptroller General McCarl. At the same time administrative orders were in the making by which the Federal workers would serve through these unpaid days each month and accumulate vacation time later. The Council of Personnel Administration, on whose recommendation President Hoover is to promulgate regulations, decided that while the five-day week was desirable in principle, it would work great hardship on many departments and could not be applied except in a few branches. Mr. McCarl's ruling prevents employees from taking leave now and paying for it later. All time taken off in excess of payless days already worked, will be deducted immediately from the employee's next check. He also shuts the door on taking leave accumulated from the past...."

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## GRAIN FUTURES ACT UPHELD

A Chicago dispatch today reports: "The constitutionality of the grain futures act was upheld by Federal Judge James H. Wilkerson in a long decision made public yesterday. In holding the act to be within the power of the Federal Government, Judge Wilkerson denied a petition presented by the brokerage house of Bartlett, Frazier & Co. for an injunction to restrain Arthur M. Hyde, Secretary of Agriculture; the Chicago Board of Trade, A. L. Fitz, Federal grain exchange supervisor, and others from enforcing the grain futures act. Under the law, members of the Board of Trade must file with the Department of Agriculture full reports relative to their participation in trading in futures and open their books to inspection by the Federal agents...."

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## HOOVER DISARMAMENT IDEA FAVORED

A Geneva dispatch today says: "Twenty-five nations represented at the world disarmament conference yesterday expressed approval in principle of President Hoover's proposal to reduce the world's arms by one-third...."

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## REPARATIONS PACT REACHED

A Lausanne, Switzerland, dispatch today says: "Germany's postwar reparations bill, fixed after the war at nearly \$65,000,000,000, was cut to about \$750,000,000 yesterday in the greatest single financial deal in history. This amounts to about one cent on the dollar. Doggedly persevering against what seemed insurmountable difficulties, the European powers, urged constantly by Prime Minister Ramsay MacDonald of Great Britain, finally cut through the persistent deadlock between Germany and France and paved the way for war debt negotiations with the United States. Germany agreed to put up approximately \$750,000,000 in bonds in lieu of further reparations payments. She dropped her insistence of deleting the war guilt clause of the Versailles treaty, and France accepted the compromise. A new effort for peace in relations among nations is commenced, the document went on, on the basis of reciprocal confidence...."

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## Section 2

Boys and                   An editorial in The Oregon Farmer for June 30 says:  
Girls   "...We are talking just now about the 4-H club school that occurs  
Club   every June under the auspices of the extension service of the  
Work   college of agriculture. This school is the culmination of a  
year's great work of, by and for the youngsters of the rural  
communities of Oregon. It brings together for two weeks' work  
and play and sociability representative club members from all  
parts of the State. They 'make the best better' by indoctrinating  
them with ideas and facts and inspirations to be put to work in  
all the communities from which they have come, expanding the  
service to a few thousands who can not attend the camp in per-  
son. We hardly realize the marvelous development in boy and girl  
work that has taken place in rural communities since 4-H club-  
dom and Future Farmerdom came into being. Out there on the farm  
where, in olden times, was isolation and lack of up-to-dateness,  
we find today the cream of nearly everything worth while. Most  
of the virtues of city life and few of its evils are now present  
in rural communities and to such glorious end this work with the  
boys and girls and youths in 4-H clubs and high school agricul-  
tural classes has contributed and is contributing a lion's share.  
..."

Canadian                   An editorial in Ontario Farmer for July says: "Quebec  
Fairs   is trying out a new plan of conducting her major exhibitions.  
Starting with 1933, the provincial department of agriculture is  
designating three fairs--Quebec, Ormstown, and Sherbrooke Winter  
Fair--as provincial exhibitions, open to all exhibitors. Be-  
sides these, the department proposes to establish six regional  
fairs, open only to exhibitors within the limits designated as  
comprising each respective region. The plan is not entirely new  
as Quebec for several years past has held regional shows though  
they have not been distinctly labeled" as such, nor have outside  
exhibits definitely been excluded. Those in a good position to  
judge of the results state that these shows have had a marked  
influence toward the improvement of herds in the district...."

Highway                   An editorial in Southern Cultivator for July 1 says:  
Construc-   "Announcement by the Georgia highway department of the com-  
tion and   pletion of two new bridges on highways leading into Wilkes  
Destruc-   County, to replace bridges which collapsed under the weight of  
tion   heavy auto freight trucks, is a warning to the people of the  
State of what is happening to the highways on which more tax  
money is being expended than for all other purposes of the State  
government combined. On State highway No. 10 a bridge safe for  
vehicles weighing up to four tons collapsed when a truck, which  
with its load weighing 10 or 12 tons, attempted to cross it. On  
highway No. 17, connecting the towns of Washington and Elberton,  
another overweight truck recently wrecked a bridge, and since  
that time and until the opening of the new bridge those tra-  
versing this important highway have crossed Broadriver by a



privately-owned ferry. The destruction of these two bridges on highways of one county gives a picture of what is happening to all the highways of the State. We are spending millions of dollars each year for the construction of paved roads and permitting them to be wrecked at the rate of as many millions by overloaded freight and passenger trucks which travel the highways at express train speed. Our regulations are not sufficient and those we have are not being enforced. If the present condition continues, before the plan of webbing the State with paved highways is completed it will be necessary to begin all over again..."

Hog

Prices

An editorial in The Daily Pantagraph (Bloomington, Ill.) for June 29 says: "In all the turmoil of politics and the uncertainty of business, just one little streak of sunshine is pouring in for the farmers. Prices of hogs have advanced more than \$1 per hundredweight within the last three or four weeks, and the upward trend is still apparent. This is encouraging not only to the farmer who has his hog lot well stocked, but also for the fellow who is sweating in the hot June sun driving a cultivator through a big corn field. For 85 per cent of the corn goes to the market on the hoof, that is, it is fed to stock, mostly hogs. The better prices for hogs, therefore, the better return the corn grower may expect on his staple crop. On May 28 the price quoted at Bloomington for top hogs was \$3 per hundred; on June 27 the quotation for \$4.35. The strong demand in the central markets speaks for further advances, and the farmer knows that all other forms of livestock follow hogs in the general price trend. Pork is the poor man's meat, and the business depression has led to an increased demand for two staples of life, bread and pork. Bacon used to be the one article of diet which the laborer could have when all else failed; but during the war, prices of bacon went up to beyond the poor man's reach. Then came the slump, when the prices went down to somewhere near where they were in the years gone by. The present upward tendency is to reach a level where the poor man can still have his bacon, and yet the farmer who raises hogs can have something like a decent return. Corn and hogs, the two means of salvation for the corn belt, are performing well just now."

Merino

Breed

An editorial in Pennsylvania Farmer for June 25 says: "The Merino sheep is the foundation of the great wool and mutton industry of this country. Merino blood is particularly essential to the range industry which produces so large a proportion of these commodities. In recent years the Merino has formed the basis of many farm flocks producing wool by ewes of its blood and lambs by use of mutton rams. On the whole it is hard to overestimate the usefulness of the Merino in one of our greatest agricultural industries or to express its value to producers of wool and mutton....Fortunately Merino breeders have recognized the fact that there should be an accepted standard of excellence for this breed, one on which the public could depend and toward which the breeder could strive. They believe



that this should not go on as in the past, undefined, varying with every wind in wool and mutton prices and every fashion in breeding. They have found sound reasons for a standard of excellence that will endure through the years and they have accepted such a standard, for Delaines at least. This is a long forward step for the breed which means so much to the world's sheep industry, and they are to be congratulated on it."

Woman                      An editorial in New England Homestead for July 9 says:  
President   " Congratulations to the Ayrshire Breeders' Association in the  
of           choice of its president for the coming year. It is a fitting  
Breeders'   tribute to one who has labored diligently and faithfully. The  
Associa-   breed is to be commended in thus honoring Mrs. E. R. Fritsche,  
tion        Sycamore Farm, Douglassville, Pa....Mrs. Fritsche has the dis-  
             tinctive honor of being the first woman elected president of one  
             of our American national dairy registry associations. Her elec-  
             tion is not simply a complimentary one. As the presiding of-  
             ficer of this progressive organization, her leadership, counsel  
             and initiative will be valuable contributions to breed progress.  
             Her election is a fitting tribute to the splendid work being  
             done not only in this breed but in other breeds by many women  
             who have been making outstanding contributions to breed progress."

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# DAILY DIGEST

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Prepared in the Press Service, Office of Information, United States Department of Agriculture, for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Approval or disapproval of views and opinions quoted is expressly disclaimed. The intent is to reflect the news of importance.

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Vol. XLVI, No. 8

Section 1

July 11, 1932.

## THE RELIEF BILL

The Associated Press today says: "In no mood to fight longer, Congress is ready to accept today President Hoover's death warrant for the \$2,100,000,000 unemployment relief bill and rush through a modified measure...."

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## THE FURLOUGH PLAN

The press today says: "A practical formula for applying the Federal furlough plan, representing the combined judgment of Government department heads, may be placed in execution this week by President Hoover. A comprehensive plan, indorsing the 'principle' of the five-day week, and urging additional payless furloughs in lieu of sweeping dismissals, was sent to the White House Saturday by the Federal Council on Personnel Administration. It will serve merely as a guide to President Hoover, who, it was said, must issue additional Executive orders to insure uniform administration of the economy act...."

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## THE REPARATIONS TREATY

A Lausanne dispatch to the press of July 10 says: "...Seven nations signed the treaty--Great Britain, France, Germany, Italy, Belgium, Japan and Poland. The dominions of the British Empire also affixed their signatures. Rumania, Czechoslovakia, Yugoslavia, Portugal and Greece will sign later.

"In a sense this treaty, signed in the ballroom of the Hotel Beau Rivage, is only provisional. Its ratification and application depend on another settlement yet to be made between Germany's creditors and the United States...These matters will require at least three or four months for definite settlement before America's debtor nations are in a position to make any approach to this Government...."

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## ST. LAWRENCE WATERWAY

President Hoover yesterday rejected the suggestion by Gov. Roosevelt, Democratic presidential nominee, that they consult in Washington to speed the negotiations for a St. Lawrence waterway treaty with Canada, according to the press today. The Chief Executive late yesterday dispatched a telegram to Gov. Roosevelt at Albany saying the negotiations toward a treaty were proceeding satisfactorily and that there was no need for a conference now.

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## FRANCE WHEAT LIMIT

A Paris dispatch today states that the amount of foreign wheat allowed to be used in the milling of French flour was fixed at 25 per cent by a decree of the Government Saturday. The report says: "The amount of imported wheat permitted in French flour has been gradually reduced recently until on June 23 it was limited to 40 per cent, having been as high as 50 per cent in May, pending the arrival of early wheat from South France and North Africa."

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## Section 2

Back to Land Move- ment      An editorial in The Nebraska Farmer for June 25 says: "Some well meaning but misguided agencies are advocating an organized back-to-the-farm movement for the unemployed of cities and towns. They urge that abandoned acreages, foreclosed farms, and even undeveloped land be turned over for subsistence farming. Meanwhile, American farms are absorbing vast numbers of city people to whom agriculture holds more hope of a living than do jobless cities. Also, many city dwellers without work or with decreased incomes are depending upon gardens to supply more of the family food. A widespread, organized back-to-the-farm movement, in our opinion, would be at the expense of the farming industry, already overburdened with low prices and surplus production. It would relieve the cities at the expense of farmers, and should not be encouraged. We have too many farmers now...."

Business Condi- tions      The Magazine of Wall Street for July 9 says: "Generally speaking, it may be said that the barometer has assumed a somewhat more favorable aspect since our last issue despite the characteristically mixed import of recent news developments. It is especially noteworthy that the cost of business credit continues to confirm the confidence in domestic banking conditions implied in the recent reduction to  $2\frac{1}{2}\%$  in the New York discount rate and refuses to show alarm over the temporary spurt in money withdrawals occasioned by a renewed outbreak of small bank suspensions....As a matter of fact, if nothing is accomplished in the contest between France and Germany, it seems quite likely that the United States will gain what Europe loses in the confidence of international business men and investors. The outcome then might be resumed purchases of American securities and a considerable return flow of gold to these shores. While it is unlikely that complete returns on new orders will be available before this issue goes to press, a sufficient number is already at hand to make it quite certain that the next point on our graph will disclose a gratifying improvement over the preceding month....Most of the major industries--such as automobiles, coal, lumber, steel, electric power and railroad freight--have actually improved in some minor degree during the past fortnight, or else remained stationary where a year ago they were already entering upon the summer slack season. Even the common stock index has displayed gratifying resistance to unfavorable financial news."

Farm Price In- crease      An editorial in The New York Times for July 8 says: "Is the Iowa hog leading us out of the sandy fields of depression back to the acorn-strewn plains of prosperity? According to dispatches from Chicago, the meat-packing industry is inclined to believe that this is so. Ever since the peak of the hog crop receded at the end of May the prices of pigs and cattle have risen in more than a seasonal curve. Swine are selling at \$5.35 a hundredweight which sold for \$3.30 in May. Cattle fetch \$8.75 and may go to \$9. One packer declares that 'if anything can pull us out of the depression' it will be hogs and cattle. Another Chicago livestock man thinks the hog will be the symbol



of the returning year of Jubilee. Economists agree that periods of low prices, fallen business and unemployment often mark their end in odd ways. Sometimes it is carloadings; sometimes it is an upcurve in steel orders. This time it might fittingly be hogs, for inordinate appetite was chargeable to the American people during the boom times....Perhaps the rise in hog and cattle prices is merely the usual seasonal phenomenon and its promise will pass when the next shipments are marketed in September...."

**Hog Prices**      An editorial in The Daily Argus-Leader (Sioux Falls, S.D.) for July 6 says: "In other days, it was contended that wheat always led the country out of a depression. Rising prices in that commodity usually heralded the long awaited turn and give the stimulus that was necessary to terminate one phase of the economic cycle. Wheat no longer, however, is the important barometer which it once was. Other things have assumed its place in the sun. The hog, for example, has a greater bearing upon the income of the farmer in many States than wheat. Now hog prices are rising and it may be possible that the hog market has taken over the position once ascribed to wheat as the symbol of a depression's end. No one knows at present what the future will reveal. It is not impossible, however, that it will show that the stiff upturn in hog prices of the summer of 1932 was the initial force in breaking the back of the protracted period of subnormal activity."

**Nitrate Conference**      A Paris dispatch July 9 says: "The conference of European and Chilean nitrate producers has virtually reached an agreement to raise the prices of ammonium sulphate and nitrate of lime, it was learned July 8. A snag has been struck over supplying the French market, however, and it seems certain that the present meeting will not be able to form a complete cartel. It is expected that another conference will be called in Berlin. Ammonium sulphate and nitrate of lime have been so cheap that they have been purchased instead of nitrate of soda, and it is hoped that an increase in their prices will benefit the latter. The fight over the French market is understood to have been caused by Medley G. B. Whelpley, president of Cosach, having asked that the Chileans be allowed to fill half France's requirements. This demand was rejected by the Europeans, who pointed out that they were now supplying virtually all France's needs..."

**Ottawa Conference**      An editorial in Nature (London) for June 25 says: "The British nation has built great hopes on the Ottawa Conference. The politicians impress us with its importance, though no one seems to have any very clear idea as to what exactly is going to be achieved there....The grievous problems which afflict the world today can not be solved by the application of the old remedies; they demand totally new methods of approach and the use of scientific fact and thought. When all is approaching chaos it is for Britain to initiate the recovery, a task which alone may well be too much for the nation, but with the aid of our far-flung Empire the possibilities of success will be infinitely greater...."

If the whole matter be regarded from a more detached and scientific point of view than is customary for either industrialist or politician, it would seem that there is at least an opportunity for much wider questions to come under review during the discussions. Every thoughtful business man who is engaged in management knows that stabilization, planning, orderly procedure, prudence, and the adjustment of production to demand, are necessary to keep the economic machine of his own business running steadily and efficiently. Such considerations seem to be forgotten when the unit becomes part of an industry or of the State itself....The fact that the Conference is under Government auspices, and that definite legislative action to help trade is expected to be its outcome, involves also some measure of control over the planning and its consequences. Everything depends on the good will of the participants to find a successful solution of the urgent problems, and on their courage to act constructively; without this, indeed, the hopes of the nation will prove to have been built on a foundation of shifting sands."

**Wholesale Prices**            The Bureau of Labor Statistics of the U. S. Department of Labor announces that the index number of wholesale prices for the week ending July 2 stands at 64.4 as compared with 64.0 for the week ending June 25. This index number, which includes 784 commodities or price series, weighted according to the importance of each article and based on the average prices in 1926 as 100.0, shows that an increase of six-tenths of 1 per cent has taken place in the general average of all commodities for the week of July 2, when compared with the week ending on June 25.

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### Section 3

**Department of Agriculture**            World's Work for July contains a comprehensive account of the activities of the U.S. Forest Products Laboratory in reinstating wood as a leading building material and in multiplying the uses of wood. The article says in part: "In Madison, the capital of Wisconsin, on the shaded campus of the State University, an inconspicuous Government bureau this summer will celebrate two decades of service to American industry by gathering its scattered paraphernalia and moving into a new million-dollar home. The Federal Government is erecting there, on ground deeded by the State, one of its characteristically massive, modern edifices to house the Forest Products Laboratory, 22-year-old adjunct of the Department of Agriculture's Forest Service division....By redesigning weak containers--not only to add strength but to reduce size, weight, and freight costs as well--the Laboratory has enabled scores of shippers to save thousands of dollars annually. One reflection is the decrease in loss and damage claims paid by American railroads. These, amounting in 1920 to \$120,000,000, declined by 1930 to \$37,000,000. The organization that soon will move into the new laboratory at Madison was established in 1910



by the Forest Service in cooperation with the University of Wisconsin, which provided a modest brick building to quarter the original staff and its meager equipment. Today the Forest Products Laboratory constitutes one of the most extensive research organizations in the world, and its services and advice are free to all."

#### Section 4 MARKET QUOTATIONS

##### Farm Products

July 8.--Livestock: Slaughter cattle, calves and vealers, steers, (1100-1500 lbs.) good and choice \$7.75 to \$9; cows, good and choice \$3.50 to \$5.50; heifers (550-850 lbs.) good and choice \$6.50 to \$8; vealers, good and choice \$6 to \$7; feeder and stocker cattle, steers, good and choice \$5.25 to \$6.25; heavy weight hogs (250-350 lbs.) good and choice \$4.90 to \$5.35; light lights (140-160 lbs.) good and choice \$4.90 to \$5.30; slaughter pigs (100-130 lbs.) good and choice \$4.60 to \$5 (soft or oily hogs and roasting pigs excluded from above quotations). Slaughter sheep and lambs: Lambs, good and choice (90 lbs. down) \$6.50 to \$7.50.

Grain: No.1 dark northern spring\* Minneapolis 55 to 57¢; No.1 northern spring\* Minneapolis 55 to 57¢; No.1 hard winter\* Kansas City 44 to 45¢; No. 2 hard winter\* Kansas City 43 1/2 to 44 1/2¢; Chicago 51¢; St. Louis 51¢ (Nom.); No.1 S.R. Winter St. Louis 49 1/2¢; No.2 S.R. Winter Kansas City 44 to 45¢; Chicago 50 3/4¢; St. Louis 48 3/4 to 49 1/2¢; No.1 W. Wh. Portland 48 1/2¢; No.2 Am. Dur.\* Minneapolis 43 7/8 to 47 7/8¢; No.1 Durum (Duluth) 46 7/8 to 48 7/8¢; No.2 rye Minneapolis 31 3/8 to 33 3/8¢; No.2 mixed corn Kansas City 30 to 31¢; Chicago 31 to 31 1/2¢; St. Louis 31¢ (Nom.); No.2 white corn Kansas City 31 to 32¢; St. Louis 30 1/2 to 31¢ (Nom.); No.2 yellow corn Kansas City 36 to 36 1/2¢; Chicago 31 1/2 to 32¢; St. Louis 31 1/2 to 32¢; No.3 yellow corn Minneapolis 33 1/2 to 34 1/2¢; Kansas City 34 1/2 to 35 1/2¢; Chicago 31 1/2¢; St. Louis 31 1/2¢; No.2 white oats Chicago 20 1/4 to 22¢; St. Louis 21¢; No.3 white oats Minneapolis 18 3/8 to 19 7/8¢; Kansas City 19 1/2 to 21 1/2¢ (Nom.); Chicago 19 to 20 3/4¢; St. Louis 20 1/2¢ (Nom.); Special No.2 barley Minneapolis 35 to 36¢; Chicago 33 to 40¢; No.1 flaxseed Minneapolis 98 1/2 to \$1.02 1/2.

Wholesale prices of fresh creamery butter at New York were: 92 score, 17 1/2¢; 91 score, 17 1/4¢; 90 score, 16 3/4¢.

Wholesale prices of No.1 fresh American cheese at New York were: Single Daisies, 11 to 11 1/2¢; Young Americas, 11 to 11 1/2¢.

\* Prices basis ordinary protein.



Wholesale prices of fresh eggs, mixed colors, at New York (Urner Barry Company quotations) were: Special Packed,  $15\frac{1}{4}$  to 18¢; Standards, 15¢; Rehandled Receipts, 14 to  $14\frac{1}{4}$ ¢.

Average price of Middling spot cotton in the ten designated markets advanced 4 points to 5.73¢ per lb. On the corresponding day one year ago the price stood at 8.78¢. July future contracts on the New York Cotton Exchange advanced 6 points to 5.93¢, and on the New Orleans Cotton Exchange advanced 7 points to 5.92¢.

Virginia Cobbler potatoes ranged \$2.25-\$2.50 per stave barrel in the East, top of \$2.85 in Pittsburgh, with f.o.b. sales \$1.90-\$2 at Eastern Shore points. Oklahoma sacked Bliss Triumphs \$1.30-\$1.40 per 100 pounds carlot sales in Chicago; 95¢-\$1 f.o.b. Muskogee. East Shore Virginia Yellow onions 50¢-\$1 per bushel hamper in eastern city markets. Texas Yellow Bermudas, U.S. Commercials, 65¢-\$1 in consuming centers, per 50-pound sacks. Georgia Hiley peaches, medium to large sizes, \$2.65-\$3.50 per six-basket crate in the East; \$2-\$2.25 f.o.b. Macon. Florida, Georgia and South Carolina Tom Watson watermelons, 24-30 pounds average, \$160-\$250 bulk per car in New York City; 26-30 pounds average \$30-\$50 f.o.b. at Moultrie, Georgia. California Salmon Meat cantaloupes \$2-\$2.25 per standard crate of 45 melons in terminal markets. Arizona Salmon Meats \$1.75-\$2.50 in consuming centers with f.o.b. sales 80¢-90¢ at Phoenix. (Prepared by Bu. of Agr. Econ.)

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# DAILY DIGEST

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Vol. XLVI, No. 9

Section 1

July 12, 1932.

**NEW RELIEF BILL**            The Garner-Wagner \$2,100,000,000 unemployment relief bill yesterday received its expected veto from President Hoover, according to the press today. The report says: "The President's message, instead of creating dissension in Congress, obviously cleared the way for swift passage of legislation acceptable to both Congress and the administration. The first step toward a compromise will be taken today in the Senate, where leaders predicted passage of a new bill may be accomplished within a few hours. Conferences between Senate and House leaders yesterday resulted in an agreement on plans that are expected to place in the hands of the President within three or four days a new bill quite similar to the one vetoed except that it will not authorize loans by the Reconstruction Finance Corporation to individuals and private industries...."

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**GLASS BANKING BILL**        Controlled expansion of the currency as an aid to economic recovery was approved yesterday by the Senate by an overwhelming vote, according to the press today. The report says: "With little debate, it adopted, 53 to 18, the Glass bill to add nearly \$1,000,000,000 in money to the country's circulating medium, as an amendment to the home loan banking bill. Final action on the entire measure still remains to be taken...."

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**RECONSTRUCTION FINANCE CORPORATION**    President Hoover yesterday recommended a partial reorganization of the Reconstruction Finance Corporation, eliminating from its board of directors Eugene Meyer, Governor of the Federal Reserve Board, and Paul Bestor, Farm Loan Commissioner, and increasing the membership of the board from seven to eight, according to the press today. The report says: "It was explained at the White House that the work of the corporation has attained such vast proportions that it is impossible for ex officio members, already burdened with other heavy responsibilities, to give the time necessary for the proper functioning of the corporation...."

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**FARM LEGISLATION URGED**        The press today says: "The President was urged yesterday by officers of the Farm Bureau Federation to exert his influence to bring about the enactment of pending farm relief legislation before the adjournment of Congress. Those who conferred with the President were President Edward A. O'Neil, vice president Charles Hearst and Earl C. Smith of the federation's board of directors...."

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**GOLD STANDARD RETURN URGED**    An Associated Press dispatch today from Basle, Switzerland, states that a call for return to the gold standard was issued yesterday by the directors of the Bank for International Settlements with the approval of the representatives of Great Britain, Japan and Sweden, which are off gold. The report says: "The concurrence of the British, Japanese and Swedish representatives was taken as an indication that their governments intend to return to gold soon..."



## Section 2

Auction Market-  
ing           An editorial in New England Homestead for July 9 says:  
"Ever since New Jersey farmers adopted the auction market method of selling farm produce, poultry and eggs, a few years ago, several New England farmers and farm leaders have closely watched developments with the thought back in their own mind that the same idea might prove beneficial here at home. Last month the idea was put into operation in Connecticut when some 66 berry growers organized the New Haven Farmers' Cooperative Auction Association, Inc., using strawberries as the trial product. So far the venture, probably the first of its kind in New England, has been very successful, as County Agent Raymond K. Clapp so clearly indicates in his story on page three. While prices received by the growers are not comparable with those usually existing in better times, they are, nevertheless, as much and probably more by an estimated 50 cents a crate than would have been received in other ways for berries of the same quality. Too, the auction has furnished a market for all the berries offered, and that in itself is a desirable feature. Another result is the lengthening of the season by approximately one week, made possible by a continuation of prices which made it profitable for growers to pick the tail end of the crop. Several advantages are listed for the auction method of selling. One is that farmers are able to see for themselves the different prices paid for different qualities. While buyers took all the berries offered, they tended to discriminate closely, paying lower prices for berries of poor quality but willing to pay good prices for top quality fruit. Growers also are learning lessons in grading, and, incidentally, at the best kind of a school in which such valuable information can be taught. Another advantage is that the auction method enables the sale of a large quantity of produce in a short time. It seems probable that the market will be continued during the summer for the sale of raspberries and for vegetables. In fact, some vegetables such as peas, asparagus and green beans have already been put through. These Connecticut growers are pioneering in a new type of marketing for New England agriculture, but they are being closely followed by a group of eastern Massachusetts poultrymen who are planning to use the same method for the sale of eggs. The results and further developments of these two auction markets will be carefully watched by producers elsewhere in New England."

Barter Here and Abroad       John C. Cresswill, writing under the title "Barter  
Supplants Money in Battle of Business for Self-Preservation"  
in The Magazine of Wall Street for July 9, says: "Money is scarce in Saxonburg, Pa., and the public-spirited local editor has turned his paper into a medium for the exchange of information which enables his readers to trade chickens, butter, eggs, firewood and other local products for store clothes, groceries, nails and other 'boughten' articles and commodities. Foreign exchange is scarce in Germany and in countries with which Germany trades. So the merchants of Bremen have set up a barter corporation--the International Goods Clearing Co.



Saxonburg and Bremen are thus tackling, respectively, the local and international aspects of the almost universal problem of these days of how to do business without money....The Bremen scheme is for what might be called a barter exchange system. Its gist is the creation of a central exchange agency whereby a German exporter can be brought into contact with a German importer. The exporter, let us say, has a bill for a thousand marks' worth of toys in Brazil and the importer has a consignment of a thousand marks' worth of coffee from that country. They exchange documents and communicate with their respective correspondents in Brazil. The Brazilian coffee merchant is paid by his compatriot who imported the toys and the German toy man is paid by his coffee brother; everybody is paid without resort to international monetary exchange. The Bremen International Goods Clearing Co. proposes to collect lists of foreign transactions and then seek to match them in the manner indicated. It is expected that similar companies will be formed elsewhere in Germany and that private brokers will operate in a like manner. The plan has some obvious drawbacks. To be fully effective similar goods exchanges must be set up in other countries, and then there is the problem of handling trades that do not match in amounts, as for instance when an exporter has, say, a thousand marks bill and the importer is billed for 1,500 marks. The sponsors of the new plan hope that the banks can find some way to carry the overlaps. It is not contended, however, that this is a permanent trade method. The Germans are developing it because they will perish unless they can find some way, however awkward, to carry on foreign trade during the present turbulent period when international monetary exchange has become difficult or impossible...."

(Winnipeg)

Ottawa                      An editorial in The Country Guide for July says: "This  
Economic month the Imperial Economic Conference will begin its sittings  
Confer- at Ottawa. On the outcome of the conference will largely depend  
ence        the future policies of the Empire in trading within itself and  
            with the rest of the world. No industry in Canada is more vitally  
            concerned than agriculture in what those policies will be. Even  
            with the ruinously low prices of farm products compared with  
            other commodities they contributed 36 per cent of Canada's entire  
            income from export trade during the last fiscal year. Over one-  
            half of all farm commodities exported went to the United Kingdom.  
            They accounted for 65 per cent of our exports to the mother  
            country and in normal times they constitute 80 per cent. The  
            prices received, not only for the amount exported but for practi-  
            cally the entire national production of these commodities, is  
            governed by price levels ruling in London and Liverpool. Canada's  
            surplus production of grain, cattle, hogs, butter and poultry  
            products originates in the prairie provinces. Western farmers  
            are particularly interested therefore in the conditions under  
            which their output of these great staples will have to be market-  
            ed in the future. The vast majority of them support the follow-  
            ing principles regarding the issues with which the economic con-  
            ference will deal...."

Population            J. J. Spengler, Assistant Professor of Economics, University of Arizona, writing under the title "The Birth Rate-- Potential Dynamite" in Scribner's for July, says: "We know that in the past the decay of peoples has been contributed to by changes in climate, diminution in rainfall, dilution of the fertility of the soil, the disturbing effects of inventions and discoveries. We also know that the dissolution of civilization has been accelerated by the increasing effeminacy of the ruling classes,...the peonization of agriculture, and the persistent use of the State as a device to enrich the few at the expense of the many. Yet we of today feel that, as a result of the advances of modern science, man can either avoid or successfully adapt himself to each of the disruptive factors mentioned. This general feeling of security against social collapse which Americans, Englishmen, and Europeans derive from their faith in modern science may possibly prove the undoing of western civilization. For preservation of the group depends, just as does preservation of the individual, upon unbroken wariness against potential dangers. All social ills, unemployment, poverty, economic and social instability, and the like may be prevented if society so wills. If, however, it is believed that social ills cure themselves, the very steps necessary to eliminating social ills will not be taken. No factor in western civilization is so loaded with potential power for good or evil as the birth rate. Consequently, those who would chart and plan the future course of western civilization must be able to chart and plan the future course of the birth rate. The political scientist knows that marked differences in the birth rates of various countries almost inevitably spell war. The economist knows that an unduly high birth rate is of necessity accompanied by poverty, a brutish scale of life, and a high death rate, such as we find in China and India. A birth rate which just equals the death rate makes possible....a level of economic prosperity not achievable under any alternative set of conditions. A birth rate which is consistently lower than the death rate will result in the ultimate extinction of the population....Production will fall off sharply. Poverty will increase. Political and economic organization will disintegrate. Gloom will pervade the psychology of the people until, ultimately, they disappear or become merged with a growing, expanding people...."

Reparations            An editorial in The New York Times of July 9 says:  
Settle-            "The announcement of the Lausanne agreement, the full and technical  
ment            details of which are published this morning, is a great event, rich in promise of good. It bids fair to quicken hope not only in Europe but throughout the whole world. A persistent disturber of the peace is removed. A long step has been taken, not only toward European appeasement and better understanding, but toward financial stability, recovered confidence and stimulus to commercial exchanges. When the full effects are realized and when it is accepted that, pending a readjustment of the war debts, the existing moratorium must naturally be extended, the improvement in financial sentiment and business outlook can not



fail to be marked in this country also. But success could not have been attained had it not been for the resolve of both the German delegates and the French to make their minds meet, at almost any sacrifice, in order to get rid of a threat to peace not only between their two countries but in all Europe. Both Chancellor von Papen and Premier Herriot, to mention only the heads of the respective delegations, seem to have taken their courage in both hands, conceding much to each other, but both obtaining the one thing on which they had set their hearts. It is what they have been able to achieve in bringing France and Germany together that makes the 8th of July, 1932, a day from which to date hereafter. "

### Section 3 MARKET QUOTATIONS

Farm Products July 11.--Grain: No.1 dark northern spring\* Minneapolis 53 to 55¢; No.1 northern spring\* Minneapolis 53 to 55¢; No.1 hard winter\* Kansas City 42 3/4 to 43 1/2¢; No.2 hard winter\* Kansas City 42 1/4 to 43¢; Chicago 49 3/4 to 50 1/4 (New); St. Louis 49 1/4 (Nom.); No.1 S.R. Winter St. Louis 48 1/4 to 49¢; No.2 S.R. Winter Kansas City 43 1/2¢; Chicago 50 1/4¢ (New); St. Louis 47 to 48¢; No.1 W. Wh. Portland 48¢; No.2 Am. Dur.\* Minneapolis 43 7/8 to 47 7/8¢; No.1 Durum (Duluth) 46 7/8 to 48 7/8¢; No.2 rye Minneapolis 29 1/4 to 32 1/4¢; No.2 mixed corn Kansas City 30 to 31¢; Chicago 31 1/2 to 31 3/4¢; St. Louis 31 1/2¢ (Nom.); No.2 white corn Kansas City 31 to 32¢; St. Louis 31 1/4¢ (Nom.); No.2 yellow corn Kansas City 36 to 36 1/2¢; Chicago 32¢; St. Louis 31 3/4¢; No.3 yellow corn Minneapolis 33 1/2 to 35 1/2¢; Kansas City 34 1/2 to 35 1/2¢; St. Louis 31 1/4¢; No.2 white oats Chicago 20 to 20 3/4¢; St. Louis 20 1/4 to 20 1/2¢; No.3 white oats Minneapolis 17 5/8 to 19 1/8¢; Kansas City 19 to 21¢; Chicago 18 3/4 to 20 1/4¢; St. Louis 19 3/4 (Nom.); Special No.2 barley Minneapolis 33 to 34¢; Chicago 33 to 38¢; No.1 flaxseed Minneapolis 98 to \$1.02.

Livestock at Chicago: Slaughter cattle, calves and vealers, steers (1100-1500 lbs.) good and choice \$8 to \$9.50; cows, good and choice \$3.75 to \$5.50; heifers (550-850 lbs.) good and choice \$6.75 to \$7.75; vealers, good and choice \$6.25 to \$7.25; feeder and stocker cattle, steers, good and choice \$5.25 to \$6.25; heavy weight hogs (250-350 lbs.) good and choice \$4.85 to \$5.40; light lights (140-160 lbs.) good and choice \$5 to \$5.45; slaughter pigs (100-130 lbs.) good and choice, \$4.50 to \$5.10 (soft or oily hogs and roasting pigs excluded from above quotations). Slaughter sheep and lambs: Lambs, good and choice (90 lbs. down) \$6.25 to \$7.25.

\*Prices basis ordinary protein.



Virginia Cobbler potatoes brought \$1.90-\$2.75 per stave barrels in eastern cities; \$1.85-\$1.90 f.o.b. Eastern Shore points. Arkansas and Oklahoma sacked Bliss Triumphs \$1.20-\$1.40 per 100 pounds carlot sales in Chicago. Georgia Hiley peaches, medium to large sizes, closed at \$2.25-\$3.25 per six-basket crate in city markets; \$2-\$2.25 f.o.b. Macon. California and Arizona Salmon Meat cantaloupes \$1.75-\$2.25 per standard crate of 45 melons in terminal markets; Hales Best 85¢-90¢ f.o.b. Phoenix. California Yellow Bermuda onions, 75¢-\$1.10 per 50-pound sacks in consuming centers. Iowa Yellow Globes 75¢-90¢ in Chicago. Florida, Georgia and South Carolina Tom Watsons watermelons, 24-30 pounds average \$1.90-\$2.45 bulk per car in New York City.

Average price of Middling spot cotton in the ten designated markets declined 5 points to 5.53¢ per lb. On the corresponding day one year ago the price stood at 8.53¢. July future contracts on the New York Cotton Exchange declined 6 points to 5.69¢, and on the New Orleans Cotton Exchange declined 8 points to 5.68¢.

Wholesale prices of fresh creamery butter at New York were: 92 score,  $17\frac{1}{2}$ ¢; 91 score,  $17\frac{1}{4}$ ¢; 90 score,  $16\frac{3}{4}$ ¢.

Wholesale prices of fresh No.1 American cheese at New York were: Single Daisies, 11 to  $11\frac{1}{2}$ ¢; Young Americas, 11 to  $11\frac{1}{2}$ ¢.

Wholesale prices of fresh eggs, mixed colors, at New York (Urner Barry Company quotations) were: Special Packed, 16 to  $18\frac{1}{2}$ ¢; Standards,  $15\frac{1}{2}$ ¢; Rehandled Receipts,  $14\frac{1}{2}$ ¢. (Prepared by Bu. of Agr. Econ.)

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# DAILY DIGEST

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Prepared in the Press Service, Office of Information, United States Department of Agriculture, for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Approval or disapproval of views and opinions quoted is expressly disclaimed. The intent is to reflect the news of importance.

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Vol. XLVI, No. 10

Section 1

July 13, 1932.

**THE RELIEF BILL**            The Senate last night passed without record vote an unemployed relief bill to take the place of that which was vetoed on Monday by President Hoover, according to the press today. The report says: "The bill passed last night does not contain authorization for loans by the Reconstruction Finance Corporation to individuals or private industries, the point of contention between Congress and the President which caused him to veto the Wagner-Garner bill. Otherwise, the two bills are similar, the new one following broadly the lines of the one vetoed in that it authorizes a total outlay of \$2,122,000,000. Of the total, \$1,800,000,000 is to be loaned to States, municipalities and other public agencies for relief work and for self-liquidating projects which are expected to provide employment for many thousands of persons. Also included in the bill are Federal public works estimated to cost \$322,000,000...."

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**HOME LOAN  
BANK BILL**            The press today states that the last plank in President Hoover's economic relief program was approved by the Senate yesterday when it passed the home loan bank bill without a roll-call and sent it to conference with the House, which has already approved the measure in a different form. The report says: "Under the Senate bill a system would be established to rediscount home financing paper secured by real estate mortgages. The system would consist of four home loan banks of \$15,000,000 capital each, supported by a Government fund of \$125,000,000...."

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**GRAIN CORPORATION  
DEBT PAYMENT**        A Chicago dispatch today states that the \$16,000,000 which the Farmers National Grain Corporation owes to the Federal Farm Board, its sponsor, is to be liquidated in a ten-year system of payments agreed upon yesterday by the Farm Board and the grain corporation. C. E. Huff, president of the grain corporation, made the announcement last night. The report says: "Borrowed capital and loans obtained by the grain corporation from the Farm Board were \$16,295,393.58 on March 31. The new financial arrangement provides for reducing this indebtedness to an amount not to exceed \$16,000,000 by Nov. 30, this year, and to make specified payments on May 31 of each year to complete wiping out the debts in 1942."

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**VEGETABLE RATES**        The Interstate Commerce Commission yesterday refused to interfere with freight rates on lettuce and other fresh vegetables in carloads from California and Arizona to points to the East, according to the press today. The commission held that higher rates were justified for lettuce and other fresh vegetables because ice placed in the crates caused damage to car interiors. It also held the necessity of rapid handling warranted higher rates.

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## Section 2

Business           The Business Week for July 13 says: "Despite the un-  
Conditions   precedented depths to which they have already sunk, the  
              business indexes are still conforming to precedent by declining  
              further at the outset of July, always the duller season of the  
              year....When business has gone to the dogs, dog days are perhaps  
              to be expected....But the prospect of prolonged summer slackness  
              even at the prevailing low level is made somewhat less disturb-  
              ing by the appearance of a few faintly constructive factors in  
              the situation in recent weeks, most of them so far ignored in  
              the general grouchiness and gloom of business sentiment. Among  
              these may be mentioned the stabilization of the volume of member  
              bank credit outstanding in the larger cities, the cessation of  
              the gold outflow and the steadiness of security markets and  
              strengthening of commodity prices during June....The painful ap-  
              proach to a provisional settlement of the reparations problem at  
              Lausanne is hopeful even though the purpose may not be quite ac-  
              complished, and its potentially constructive effects are already  
              reflected in the improvement in foreign bond prices....Most funda-  
              mentally favorable is the reduction of the British bank rate and  
              the courageous public debt conversion attempted in England. This  
              is at once symptom and promise of progressive readjustment of  
              unproductive debt burdens and increasing pressure to reduce the  
              cost of long-term capital, both necessary steps toward the re-  
              lease of idle investment funds into new enterprise, upon which  
              recovery depends....All indications are that the world is enter-  
              ing upon the inevitable debt-scaling stage and the easy money  
              phase of deflation which is the forerunner of expansion."

Canadian           An editorial in The Country Guide (Winnipeg) for July  
Currency   says: "The Financial Post is worried over the possibility of  
Infla-   inflation. It points out that Canadian governments, industries  
tion   and individuals owe \$4,000,000,000 to the United States and the  
          principal, interest and dividends, when paid, must be paid in  
          American currency. It also points out that Canada is a large  
          importer of coal, oil, iron ore and many other supplies. If  
          Canadian currency becomes seriously depleted in terms of gold,  
          production costs would therefore be increased, though The Post  
          admits that inflation would have some helpful effects for Cana-  
          dian exporters. The question that immediately arises is: Where  
          does Canadian agriculture appear in this picture? The depre-  
          ciation of the Canadian dollar to parity with the pound sterling  
          would place it at an additional discount with the American  
          dollar; for purposes of easy figuring say another 15 per cent.  
          The annual interest bill of Canada, at five per cent, would be  
          \$200,000,000 a year if it were being fully paid, which it is not.  
          A further discount of 15 per cent on the Canadian dollar would  
          add \$30,000,000 to the interest bill. This seems a lot of money  
          but what would be the effect on agriculture? According to the  
          estimate of the Canadian bureau of statistics the net agricul-  
          tural income of Canada last year, after making due allowance for  
          crops fed to livestock on farms, was \$626,767,000. The paying



power of the pound sterling, since Britain unhitched it from the gold standard, has been depreciated on an average of over 15 per cent. Canada has an exportable surplus of all its major agricultural staples and the prices received for them is governed by price levels in Britain. That means that prices received for them have been depreciated at least 15 per cent. But supposing that prices received by Canadian farmers for all commodities have been depressed only ten per cent by the exchange situation, the loss sustained by Canadian agriculture is in excess of \$60,000,000 a year. This is just twice the amount necessary to pay the increased interest charges on American investments in this country if the Canadian dollar were tied to the pound. There are at least two sides to this question and this is one which The Financial Post seems to have overlooked."

Danubian Countries Charles Benedict, writing under the title "Middle Europe on the Brink Through France's Mismanagement" in The Magazine of Wall Street for July 9, says: "...With five considerable nations occupying the territory that had been a dual empire, all animated by national aspirations and inimical by reason of racial and linguistic differences and prejudices, if not hatreds, the old economic unity has been destroyed. The agricultural states--Rumania, Hungary and Yugo-Slavia--have sought to become industrialized and Austria and Czecho-Slovakia have stimulated agricultural development. The national self-sufficiency programs of every State have run counter to economic well being. The looms of Hungary have more than doubled. Thousands of looms have been installed in Czecho-Slovakia, and Hungary has more than doubled its spinning and weaving capacity. Hungary formerly dominated the grain milling of the empire, now all of the five countries have gone in for flour mills. Hungary has subsidized the manufacture of automobiles to the injury of the Austrian industry....Before 1914 the foreign trade of Austria-Hungary amounted to 2,500 million dollars; now that of the succession countries is down to less than 1,500 millions, and the local international trade that has succeeded the former internal trade is greatly reduced. With the wrecking of the economic structure has come financial and fiscal chaos. All five of the Danubian countries are in distressed condition with Austria on the verge of a general moratorium for all international obligations, and Hungary likely to follow. The situation would have been bad enough in any event but the world depression has made it much worse, especially as prices of agricultural commodities have decreased more than industrial, the former being the chief element in the exports of the Danubian countries...."

Foreclosed Farms An editorial in The Dakota Farmer for July 9 says: "At this time, fourteen large insurance companies are operating approximately 10,000,000 acres of farm land in the United States--farms which have been secured by mortgage foreclosures. In many cases the present tenants or occupants are the original owners of the lands, or were tenants of the original owners. It being the wish of the companies to sell the properties, organizations

have been developed to rejuvenate the farms in order that desirable tenants may be secured, usually with the agreement that the tenant may purchase the farm when and if he wishes and is able to. A good tenant is regarded as a potential purchaser and every possible assistance is given him. In this connection one insurance executive said recently: "We aim to put on the farm the men who really belong there--men who are sincere in wanting to be farmers and develop the land. The greatest weakness in our farming problem today is the lack of managerial ability. The farmer who is a good manager saves his farm--the other type loses it. We foreclose on the man not on the land. Some years ago, we had to go in search of tenants and buyers for the farms we acquired. Today, there are five applicants for every farm we have available for sale or rent."

**Hog Prices**            The Prairie Farmer for July 9 says: "The advance in hog prices, continuing steadily until it passed the \$5 mark, a point that looked unattainable only a few weeks ago, illustrates how rapidly prices can change, and every farmer who has hogs knows what a marked effect such a change has. Let us hope that this break in the long decline of farm prices is a promise of a similar advance in the price of other farm products."

**Population Problems**        J. J. Spengler, Assistant Professor of Economics, University of Arizona, writing under the title, "The Birth Rate--Potential Dynamite" in Scribner's for July, says: "...Modern depopulation differs from the depopulation of several centuries ago. It will result not from an excess of deaths but from a deficit of births. In the long run there is a limit to our ability to cut down the death rate and increase the average length of life. Today, on the average, man lives three times as long as formerly. Yet if every one lived, on an average, to the age of sixty years, then of each 1,000 persons an average of 16.7 would die each year. If the average number of years of life were increased to sixty-five, 15.4 of each 1,000 living persons would die on an average each year. At present in the United States and in practically all parts of the world man averages less than sixty years of life. And in light of what the studies of medicine and physiology reveal, twentieth-century man can not live on an average even the proverbially allotted threescore and ten. In fact, man will be lucky to average more than sixty-five years of mundane life. It is obvious, therefore, that if man averages sixty years of life and 16.7 persons in 1,000 die on an average each year, 16.7 children must be born annually to each 1,000 persons. Otherwise, deaths will exceed births and the population will be threatened with extinction....During the past several years careful studies have been made of this question by the Institute of Economics, by the Metropolitan Life Insurance Company, and by American and European statisticians. These studies reveal that in western and northern Europe (England and Wales, Germany, France, Scandinavia, and Finland) 7 per cent less children are born per year than are needed, in the long run, to offset deaths. Professor Gini's



studies reveal similar deficits in Austria, Belgium, Estonia, Ireland, Latvia, Scotland, Switzerland, and Hungary. Doctor Kuczynski concludes 'that the populations of western and northern Europe, North America, and Australia combined no longer reproduce themselves.' In the United States, too, important elements in the population are dying out, some at a rapid rate. This has been true of the natives of New England since the close of the Civil War. Already in 1928 the white population living in Massachusetts, Connecticut, New York, the Pacific Coast States, and in urban centers was dying out. The Negro population was dying out in sixteen Northern States and in the large cities. Data for the country as a whole indicate that, when allowance is made for the abnormal age composition, there is no longer practically any true increase in the American population and that deaths threaten to exceed births within three decades...."

### Section 3 MARKET QUOTATIONS

Farm July 12.--Grain: No.1 dark northern spring\* Minneapolis 52 3/8 to 54 3/8¢; No.1 northern spring\* Minneapolis 52 3/8 to 54 3/8¢; No.1 hard winter\* Kansas City 41 3/4 to 42 3/4¢; No.2 hard winter\* Kansas City 41 1/4 to 42 1/2¢; Chicago 48 3/4 to 49¢; St. Louis 48 1/2¢; No.1 S.R. winter, St. Louis 47 1/2¢; No.2 S.R. Winter Kansas City 41 1/2 to 42 1/4¢; Chicago 48 1/4¢; St. Louis 46 3/4 to 47 1/2¢; No.1 W. Wh. Portland 47¢; No.2 Am. Dur.\* 42 5/8 to 46 5/8¢; No.1 Durum (Duluth) 45 5/8 to 46 5/8¢; No.2 rye Minneapolis 28 3/4 to 31 3/4¢; No.2 mixed corn Kansas City 30 1/2 to 31 1/2¢; St. Louis 31¢ (Nom.); No.2 white corn Kansas City 31 to 32¢; St. Louis 31¢ (Nom.); No.2 yellow corn Kansas City 36 1/2 to 37¢; Chicago 32 to 32 1/4¢; St. Louis 31 1/2¢; No.3 yellow corn Minneapolis 33 1/2 to 35 1/2¢; Kansas City 35 1/2 to 36¢; Chicago 31 3/4¢; St. Louis 31 1/4¢; No.2 white oats Chicago 20 to 20 3/4¢; St. Louis 20 1/4 to 20 1/2¢ (Nom.); No.3 white oats Minneapolis 17 3/8 to 18 7/8¢; Kansas City 19 to 21¢ (Nom.); Chicago 18 1/2 to 20 1/2¢; St. Louis 20¢ (Nom.); Special No.2 barley Minneapolis 32 to 33¢; Chicago 33 to 38¢; No.1 flaxseed Minneapolis 98 to \$1.02.

Livestock at Chicago: Slaughter cattle, calves and vealers, steers (1100-1500 lbs.) good and choice \$8 to \$9.60; cows, good and choice \$4 to \$6; heifers (550-850 lbs.) good and choice \$7 to \$8.50; vealers, good and choice \$6.50 to \$7.50; feeder and stocker cattle, steers, good and choice \$5.25 to \$6.25; heavy weight hogs (250-350 lbs.) good and choice \$4.75 to \$5.30; light lights (140-160 lbs.) good and choice \$4.90 to \$5.35; slaughter pigs (100-130 lbs.) good and choice \$4.40 to \$5 (soft or oily hogs and roasting pigs excluded from above quotations). Slaughter sheep and lambs: Lambs, good and choice (90 lbs. down) \$6 to \$7.25.

\*Prices basis ordinary protein.



Virginia Cobbler potatoes ranged \$1.75-\$2.75 per stave barrel in eastern cities; \$1.80-\$1.90 f.o.b. Eastern Shore points. Kansas and Missouri sacked Cobblers 87½¢-\$1 per 100 pounds carlot sales in Chicago; 70¢-75¢ f.o.b. at Orrick and Kaw Valley. Georgia Hiley peaches, medium to large sizes, \$2.25-\$3 per six-basket crate in terminal markets; \$2-\$2.25 f.o.b. Macon. North Carolina Hileys \$1.75-\$3 per bushel basket in New York City. Arizona Salmon Meat cantaloupes \$1.50-\$2.25 per standard crate of 45 melons in consuming centers; 80¢-85¢ f.o.b. Phoenix. Florida, Georgia and South Carolina Tom Watson watermelons, 24-30 pounds average, \$205-\$275 bulk per car in New York City. Texas Yellow Bermuda onions 65¢-\$1.25 per 50-pound sack in city markets.

Wholesale prices of fresh creamery butter at New York were: 92 score, 18¢; 91 score, 17¾¢; 90 score, 17½¢.

Wholesale prices of No.1 fresh American cheese at New York were: Single Daisies, 11 to 11½¢; Young Americas, 11 to 11½¢.

Wholesale prices of fresh eggs, mixed colors, at New York (Urner Barry Company quotations) were: Special Packed, 16½ to 19¼¢; Standards, 16 to 16¼¢; Rehandled Receipts, 15¢.

Average price of Middling spot cotton in the ten designated markets declined 17 points to 5.36¢ per lb. On the corresponding day one year ago the price stood at 8.48¢. July future contracts on the New York Cotton Exchange declined 15 points to 5.34¢, and on the New Orleans Cotton Exchange declined 18 points to 5.50¢. (Prepared by Bu. of Agr. Econ.)

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# DAILY DIGEST

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Prepared in the Press Service, Office of Information, United States Department of Agriculture, for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Approval or disapproval of views and opinions quoted is expressly disclaimed. The intent is to reflect the news of importance.

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VOL. XLVI, NO. 11

Section 1

July 14, 1932.

## IN CONGRESS

The Senate yesterday passed the Norbeck farm relief bill by a viva voce vote. The bill calls for paying to the producer of wheat, cotton, and hogs, on that share of his crop needed for domestic consumption, an amount equal to the tariff levies on wheat and hogs, and five cents a pound on short staple cotton, which is duty free.

The home loan bank bill, last of the measures in the economic rehabilitation program advanced by President Hoover, was passed and sent to conference by the House yesterday.

Passage of a revised unemployment relief bill yesterday in the House, by a vote of 296 to 46, cleared the way for probable disposal of this legislation so that the President may sign it today. (Press, July 14.)

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## ST. LAWRENCE WATERWAY

Negotiations between the United States and Canada for the construction of the St. Lawrence waterways system have finally been completed, it was officially announced at the White House yesterday, and within a few days President Hoover will sign the treaty with Canada to begin work on the greatest engineering project of modern times, according to today's press. The report says: "The new engineering scheme will open the entire Great Lakes region of the United States to transatlantic shipping and release over 2,000,000 horsepower for Canadian and American uses. The total cost is expected to be more than \$800,000,000....."

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## COW NEARS WORLD RECORD

A Madison, Wis., dispatch today states that a milk production record of 36,859.4 pounds in a year, or more than 100 pounds a day, was credited by the Holstein-Friesian Association yesterday to Carnation Prospect Veeman of the Carnation Milk Farms, near Seattle. The report says: "The record is second only to the all-time milk production record set by her grandmother, Segis Pietertje Prospect, world champion cow, to which a monument was erected near Seattle. Her world record was 37,381.4 pounds or 17,587 quarts in 1921. Carnation Prospect Veeman is 10 years old."

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## BRITISH-IRISH DUTIES

A London dispatch July 13 records that the British government, now having full Parliamentary powers, carried out its threat Tuesday to impose duties on Irish produce imported into Britain as a reprisal for the withholding by the de Valera Government of 3,000,000 pounds in land annuities. A duty of 20 per cent on almost all Irish agricultural produce exported to Britain is to take effect at midnight tonight. The duties cover live animals for food, animals not for food, butter, eggs, cream, bacon, pork, poultry, game, and other meat of all kinds-- virtually the whole range of produce on the exports of which the Free State farmer depends for his livelihood.

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## Section 2

Back-to-Farm

An editorial in The Daily Pantagraph (Bloomington, Ill.) for July 8 says: "The back-to-the-farm movement means different things according to who goes back and why. There is not much room for it in this section of the country. A number of land-owners and their sons who moved to town in the time of prosperity and high wages are glad to get back to the farm now. There is no employment for them in the city and they can make a living on the land. However, they must displace the tenant on the home farm or change his status to hired man. But there is no money of consequence to be made in farming at present prices of farm products. It is not attractive as a commercial venture, and large area management for such purpose is 'going out' as reports show-- a striking concession to the family size farm. But on poor and cheap land and where the movement is an emergency step to help the unemployed of the city to produce their food and preserve their morale, it may be important. These unemployed can not buy food but they can grow a large part of their necessities. Put on a small tract and guided in their efforts to produce, means a great deal to them. They are not farmers and most of them will doubtless return to city jobs when prosperity comes. The land they occupy or its rental may cost very little. This is particularly true in the East where there are many abandoned farms and much cheap land. One phase of it seems especially important and it remains to be seen how long it will be retained. That is to farm or garden a small place near a city to produce a part of the living and still work at other employment when it can be obtained or hold a part time job in the city. This would prevent the pitiful plight of the thousands thrown out of work the last two years and provide a basis of self support. Another important form of the back-to-the-farm movement is that in poor farming sections of the country as in a number of Southern States. The land gives a means of living impossible to find elsewhere, and such return may be more permanent than that of the big city worker."

British Food Regulation

The Medical Officer (London) for June 11 says: "Dr. R. H. Parry, reporting as medical officer of health for the port of Bristol, mentions that enforcement of the Preservatives in Food Regulations in connection with imported food supplies is not easy. In this connection he quotes his deputy medical officer, Dr. A. G. Morison, as follows: 'One hesitates in most cases to condemn by reason of the imported food regulations as being diseased, unsound, unwholesome, or unfit for human consumption, articles offending only because of containing an excess of preservative, for example, an excess of sulphur dioxide in raisins, sultanas, or black-currant pulp; such importation, of course, is prohibited by the preservatives in food regulations, and the importation may be dealt with accordingly, but, in practice, we are confronted with the following position: Importers, on the excess being pointed out to them, almost invariably indicate their intention of re-exporting the offending article. I am also informed that it is the practice of the trade to import goods under a ten-days' guarantee that they comply with the



regulations maintaining in England as to the presence of the preservative. It would seem, therefore, that the trade is endeavoring to protect itself from importing articles which offend the preservatives in food regulations, and its willingness to re-export when facts are revealed to them seems to negative any desirability to proceed to prosecution.' Doctor Morison mentions that in the above cases the following action was taken: The results of the examinations were revealed to the importer and his intention as to the disposal of the articles was called for. If the articles had left Bristol, the medical officer of health of the area to which they had been consigned was also communicated with. As a result, information was obtained of the re-exportation of 1,250 boxes of raisins and of the black-currant pulp."

Economic  
First  
Principles

"We must go back to the first principles of political economy as we learned them in school: (1) Free play for the law of supply and demand in everything, last but not least in wages. (2) Untrammelled international commerce which through competition determines the most suitable place of production. (4) Customs tariffs for revenue only. (5) The gold standard, pure and simple, must again be allowed to function." ("Swiss Banker" in Schweizerische Bankverein Review.)

Grasshopper  
Situation  
in  
Dakotas

An editorial in The Dakota Farmer for July 9 says: "There is little if any change in the grasshopper situation. To this date only comparatively little damage has been done and that in isolated sections, where the infestation has been partially or wholly controlled by poisoning and other methods..... Last week, a newly devised machine was tried out in North Dakota which may help to solve the grasshopper problem if it develops this year and in future years, and which is comparatively inexpensive. This machine is simple and is cheaply constructed. It is about 16 feet wide, drawn by two horses, and has a platform, which can be regulated for height, extending towards the front. The platform strikes the grain, causing the 'hoppers to jump into the air and they are caught against a net at the back of the machine. From there they drop into a trough, are conveyed to a revolving wheel, are killed and tossed off."

Ottawa  
Conference

The Commercial and Financial Chronicle for July 9 says: "While the statesmen at Lausanne have been struggling to reach an agreement about the vexed questions of reparations and war debts, the interest of English-speaking peoples, including our own, has turned to the economic conference of members of the British Empire which is to meet at Ottawa on July 21. Eight countries-- Great Britain, the Irish Free State, Canada, Australia, New Zealand, South Africa, Rhodesia, and India-- are to be represented directly, and it is expected that some of the West Indian colonies may be given an indirect voice through the medium of the British Colonial Office.....A conference which, like this, represents about one-fourth of the world's population, and the largest aggregation of economic and political interests to be found under any one allegiance, would in any case have a universal importance, but its importance is increased by the

peculiar circumstances under which the conference meets and the issue which stands out most prominently in the long list of questions with which it will be asked to deal....The main issue before the Ottawa delegates, accordingly, in whatever form it may be presented, is clearly seen to be that of tariffs, with questions of currency and monetary standards occupying second place, at the same time that anything that is done or recommended must take account of a world situation which is bound to be widely affected by any fundamental change in Imperial policy.... Whether the trade between Canada and the United States, or Canada and other foreign countries, can be to any great extent diverted into exclusively Empire channels has been actively discussed, occasionally with some asperity. Professor F. R. Scott of McGill University, Montreal, writing in the last number of the 'Foreign Affairs' quarterly, emphasizes the extent to which Canada has been becoming independent of the Empire in trade matters. Canada, he says, draws 76% of her imports today from foreign countries, and sends to them 64% of her exports. 'Her major economic interests lie, naturally enough, with the United States. Fifty-five per cent of Canada's foreign trade and 60% of her foreign investments are with her southern neighbor, while on the other side of the picture the United States has looked upon Canada (until recent tariff changes) as her "best customer" and has placed some 25% of her total foreign investment there.'....."

Population  
Problems

J. J. Spengler, Assistant Professor of Economics, University of Arizona, writing under the title, "The Birth Rate-- Potential Dynamite," in Scribners for July, says: ".....While the birth rate continues to be high in a number of countries, and while the birth rate has not declined in some countries, it is evident nevertheless that the stork is suited to grace the national emblem of only such white countries as remain predominantly agricultural. Just prior to 1900 the birth rate exceeded 40 per 1,000 in Slavic countries, in most parts of Asia, Mohammedan Africa, and Latin America, and in French Canada. In non-Slavic Europe the rates ranged from 22 in France to 37 in Italy. At present in Russia the birth rate exceeds 44; in the Balkans and Poland it tops 30; in but four non-Slavic countries-- Spain, Portugal, Italy, and Holland-- does the birth rate exceed 20. In Europe, only the Slavs, Portuguese, Spaniards, Dutch, and Italians are swelling their numbers. In Asia, Egypt, the large islands in the Pacific and Indian Oceans, and in Latin America the birth rate has not declined appreciably and a rabbit-like rate of increase continues. Our broad survey of world birth rates leads to this startling conclusion. Among the white peoples living in the countries where industrial civilization has made its greatest advances the birth rate has been cut in two within the last half-century. This decrease in the birth rate has been so great that at present not enough children are being born to replace the existing population. Only in the agricultural white nations, among the Asiatic peoples, and in Egypt, do we find a high birth rate and a steady increase in the population. May we then conclude that there is inherent in



industrial civilization a principle of biological decay? The key to the future (answer to the questions I have raised) lies in the birth rate of tomorrow. Will the birth rate continue to decline? Will the swarming peoples of Latin America, Africa, and the Orient crush the low-birth-rate nations? Social scientists ought to be able to reply. But they disagree....."

### Section 3 MARKET QUOTATIONS

#### Farm Products

July 13. Livestock prices quoted in Chicago: Slaughter cattle, calves and vealers: steers (1100-1500 lbs.) good and choice \$8-9.60; cows, good and choice \$4-6; heifers, (550-850 lbs.) good and choice \$7-8.50; vealers, good and choice \$6-7; Feeder and stocker cattle: steers, good and choice \$5.25-6.25. Heavy weight hogs (250-350 lbs.) good and choice \$4.65-5.15; light lights, (140-160 lbs.) good and choice \$4.80-5.15; slaughter pigs, (100-130 lbs.) good and choice \$4.25-4.85 (soft or oily hogs and roasting pigs excluded from above quotations). Slaughter sheep and lambs: lambs, good and choice (90 lbs. down) \$5.75-6.75.

Grain: No. 1 dark northern spring wheat\* Minneapolis  $51\frac{3}{4}$ - $53\frac{3}{4}\phi$ ; No. 1 northern spring\* Minneapolis  $51\frac{3}{4}$ - $53\frac{3}{4}\phi$ ; No. 1 hard winter\* Kansas City  $42\frac{1}{2}$ - $43\phi$ ; No. 2 hard winter\* Kansas City  $42$ - $42\frac{3}{4}\phi$ ; Chicago  $49$ - $49\frac{1}{2}\phi$ ; St. Louis  $49\phi$ ; No. 1 S. R. winter St. Louis  $48\frac{1}{2}\phi$ ; No. 2 S. R. winter Kansas City  $42\frac{3}{4}$ - $44\phi$ ; Chicago  $47\frac{1}{4}$ - $49\frac{1}{4}\phi$ ; St. Louis  $48\phi$ ; No. 1 W. Wh. Portland  $47\phi$ ; No. 2 amber durum\* Minneapolis  $43$ - $47\phi$ ; No. 1 durum (Duluth)  $46$ - $47\phi$ ; No. 2 rye Minneapolis  $29$ - $1/8$ - $32$ - $1/8\phi$ ; No. 2 mixed corn Kansas City  $31$ - $32\phi$ ; St. Louis  $31\frac{3}{4}\phi$  (Nom.); No. 2 white corn Kansas City  $31\frac{1}{2}$ - $32\frac{1}{2}\phi$ ; St. Louis  $32\phi$  (Nom.); No. 2 yellow corn Kansas City  $37$ - $37\frac{1}{2}\phi$ ; Chicago  $49\phi$ ; St. Louis  $32\frac{3}{4}\phi$ ; No. 3 yellow corn Minneapolis  $35$ - $36\phi$ ; Kansas City  $36$ - $36\frac{1}{2}\phi$ ; St. Louis  $32\phi$  (Nom.); No. 2 white oats Chicago  $19\frac{3}{4}$ - $21\phi$ ; St. Louis  $19\frac{1}{2}\phi$ ; No. 3 white oats Minneapolis  $17\frac{3}{4}$ - $19\frac{1}{4}\phi$ ; Kansas City  $19$ - $21\phi$ ; Chicago  $19$ - $20\frac{1}{2}\phi$ ; St. Louis  $19\phi$  (Nom.); Special No. 2 barley Minneapolis  $31$ - $32\phi$ ; Chicago  $33$ - $38\phi$ ; No. 1 flaxseed Minneapolis  $98\frac{1}{2}\phi$ - $\$1.02\frac{1}{2}$ .

Virginia Cobbler potatoes ranged \$1.85-2.50 per stave barrel in eastern cities; mostly \$1.75 f.o.b. Eastern Shore points. Kansas and Missouri sacked Cobblers 70-90¢ per 100 lbs. carlot sales in Chicago; 75¢ f.o.b. Kaw Valley. Texas Yellow Bermuda onions 65¢-\$1.15 per 50-lb. sacks in consuming centers. New Jersey yellows 75-90¢ in New York City. Arizona Salmon Meat Cantaloupes \$1.75-2.25 per standard 45s in city markets. North Carolina standards all sizes \$1 in New York. Georgia Hiley peaches, medium to large sizes, \$2.50-3.50 per six-basket crate in terminal markets; \$2-2.25 f.o.b. Macon. Florida, Georgia,

\*Prices basis ordinary protein.



and South Carolina Tom Watson watermelons, 24-30 lbs. average, \$220-290 bulk per car in New York City.

Wholesale prices of fresh creamery butter at New York were: 92 score, 18¢; 91 score, 17 $\frac{3}{4}$ ¢; 90 score, 17 $\frac{1}{4}$ ¢.

Wholesale prices of No. 1 fresh American cheese at New York were: Single Daisies, 11-11 $\frac{1}{2}$ ¢; Young Americas, 11-11 $\frac{1}{2}$ ¢.

Wholesale prices of fresh eggs, mixed colors, at New York (Urner Barry Company quotations) were: Special Packed, 17-19 $\frac{1}{2}$ ¢; Standards, 16-16 $\frac{1}{2}$ ¢; Rehandled Receipts, 15-15 $\frac{1}{2}$ ¢.

Average price of Middling spot cotton in the ten designated markets advanced 21 points to 5.57¢ per lb. On the corresponding day one year ago the price stood at 8.44¢. July future contracts on the New York Cotton Exchange advanced 20 points to 5.74¢, and on the New Orleans Cotton Exchange advanced 25 points to 5.75¢. (Prepared by Bu. of Agr. Econ.)

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# DAILY DIGEST

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Prepared in the Press Service, Office of Information, United States Department of Agriculture, for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Approval or disapproval of views and opinions quoted is expressly disclaimed. The intent is to reflect the news of importance.

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Vol. XLVI, No. 12

Section 1

July 15, 1932.

## THE FURLOUGH PLAN

The Government was urged yesterday to take the lead among "large-scale organizations" in putting into effect the five-day week in a report to President Hoover by the Council of Personnel Administration, of which Thomas E. Campbell, president of the Civil Service Commission, is the chairman, according to the press today. The report says: "Establishment of the shorter working week, Mr. Campbell declared, would, in the opinion of the council, go far toward relieving the effects of the depression through stabilization and spreading of employment....The report, which has been in preparation for some weeks, was made public yesterday at the White House. While recommending the shorter week, the council held, however, that the same regulations could not be applied to all branches....Avoidance of any unnecessary hardship on personnel was urged 'in view of the withdrawal this fiscal year of the annual leave privilege. The report, with these variations in view, proposed that the general application should be left to the heads of departments and bureaus, but asked that they keep in mind the 'desirability of advancing the interests of the five-day week wherever practicable.'...It was said at the White House that the President approved the findings embodied in the report...."

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## IN CONGRESS

Insistence by the House on full publicity for all loans made hereafter by the Reconstruction Finance Corporation again deadlocked the \$2,122,000,000 unemployment relief bill yesterday, after the Senate and House conferees had reached an agreement on all its other features. The Senate refused to accede to the House's demand and asked for a further conference.

The Norbeck farm relief bill was recalled yesterday by the Senate, which had sent it to the House Wednesday for final action. The measure was reconsidered by a vote of 30 to 25, on motion of Senator Bingham, to permit a vote by several opponents of the plan who were absent on Wednesday.

House conferees met yesterday to consider the home loan bank bill. (Press, July 15.)

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## FUTURES TAX

REDUCTION URGED A Chicago dispatch today says: "President Hoover and leaders in Congress were warned yesterday by a committee representing nine principal American commodity exchanges that grain farmers of the Nation faced the possibility of heavy penalties and a breakdown of marketing machinery during the heavy movement of the crops this summer unless the tax on futures trading was reduced. The committee, of which Thomas Y. Wickham of the Chicago Board of Trade is chairman, was joined in the plea by the Grain and Food Dealers' National Association, the Chicago Live Stock Exchange and the Chicago Mercantile Exchange. The message urged immediate adoption of the Purnell bill which would reduce the 400 per cent increase levy on commodity futures sales from 5 cents per \$100 value to 2 cents. This would still be double the tax rate on future trading which prevailed previous to this year...."



## Section 2

Butterfield A Charlottesville, Va., dispatch to the press of July on Rural 12 reports a talk by Kenyon L. Butterfield of New York, Chancellor of rural work of the International Missionary Council, before a recent meeting of the Institute of Public Affairs at the University of Virginia. Mr. Butterfield said at least half of the earth's two billion population were dependent on agriculture for a living and that of this "rural billion," the majority were "distinctly underprivileged and handicapped, and many of them dispossessed." The history of the next century or two would revolve, he declared, around the strivings of these multitudes, representing a promise as well as an appeal to society. "It is a platitude, of course, to assent that but for them the world would starve," he continued. "But there is another feature of this economic importance of rural folk that is only now beginning to attract notice. Mass production of modern industry must have great markets. These rural masses have been meagre consumers. If their income could be increased only \$10 per year per capita, the total demand would constitute an enormous outlet for manufactured products. As a matter of fact, it is largely among these hundreds of millions of people who live close to the economic margin that the future success of large-scale industry depends."

Farm Journal An editorial in the Watertown, N.Y., Times for July 1 Changes says: "The Rural New Yorker of Saturday, July 2, ~~brings~~~~The Rural New Yorker of Saturday, July 2,~~ at hand today, brings the interesting information that that publication is now the only weekly agricultural publication East of the Rocky Mountains. The statement will be received with surprise by many persons. It seems only a short time ago when there was a long list of weekly farm papers published at various points through the East. We had the Country Gentleman and the Orange County Farmer, the New England Homestead, the Practical Farmer, the Progressive Farmer, Farm and Home, and probably two score more weekly publications. It seems from The Rural New-Yorker's statement that every one of them, save this venerable publication, has gone by the board. They have not all disappeared but they have been compelled to curtail their frequency of issue and are appearing as bi-weeklies or monthlies...."

Irish An editorial in The Farmers' Gazette (Dublin) for Agri- July 2 says: "...When the last government was in office, we culture questioned frequently the wisdom of a too hasty and ill-considered advance in the direction of a machine-made industrialization. The present administration is traveling even faster towards the same questionable goal, and we wonder really if, apart from a vague idea that we are getting somewhere, there is any clear conception of whither we are going...Further--and there is much truth in this--it may be argued that agriculture is only just beginning to come under the beneficial influence of the chemist and the mechanical engineer....Irrespective of



other improvements, agriculture here ought at all costs to be maintained, and we are not satisfied that this axiom is being accepted by the present government any more whole-heartedly than by the last. We do not by any means decry the effort to improve our urban industrial position, but we question its wisdom, and we doubt if the results are likely to be commensurate with the risks run in neglecting what we should securely hold. While agriculture survives in Ireland our economic future is in some degree always assured; but, if farming once goes, there is nothing to replace it that can give to the individual and the country the same solid certainty of a sociable living. Our industrial problems, in other words, can not be solved by viewing things from any narrow angle, and the social consequences of over-industrialization in America and Europe are already sufficiently glaring to warn intelligent observers here that, once the economic balance between town and country is deranged, the new difficulties thus arising may well outweigh all the claims to other improvement."

Population            J. J. Spengler, Assistant Professor of Economics,  
Problems University of Arizona, writing under the title, "The Birth  
Rate--Potential Dynamite," in Scribner's for July, says:"...  
In the differing rates of population increase we find the major  
threat to world tranquillity. As Professor Ross has remarked,  
the real enemy of the dove of peace is not the eagle of pride or  
the vulture of greed, but the stork. The bulk of the mineral  
resources and the main unsettled lands of the earth are con-  
trolled by non-growing France, Great Britain, Australia, Canada,  
British South Africa, Belgium, and the United States, and by  
diminutive Holland and Portugal. Of the growing white peoples  
only the Russians and the Latin Americans have considerable land  
into which to expand. A redistribution of world lands, there-  
fore, appears necessary. Professor Thompson has suggested that  
the English dominions and the French possessions can absorb the  
excess Slavs, Poles, and Italians. India's excess population  
can occupy Africa and Madagascar, while the surplus Chinese and  
Japanese can expand into the unutilized parts of China, tropical  
Australia, the Dutch East Indies, British Borneo, New Guinea,  
and the Philippines. Some such solution of the world land prob-  
lem must be worked out under the auspices of the League of  
Nations. Otherwise, the tabloid fear of a War of Color may  
mature into reality: Mere redistribution of the excess lands  
of the world offers no permanent solution, however. Unless the  
swarming peoples curb their birth rates they will soon have  
peopled these unsettled lands and will then desire to expand  
into countries whose populations are stationary or decreasing....  
Ultimately there will be an annual shortage of about a half-  
million births in the United States. Already, in northern and  
western Europe, there is an annual shortage of more than ten  
millions of births. The reason for this shortage is obvious.  
In the United States a few years hence, and in northern and  
western Europe of today, millions of potential parents feel that

the money value of children in an industrial civilization is less than the money cost of creating and rearing them. National preservation may be had--but only at a price...."

#### Prune

#### Industry

An editorial in California Cultivator for June 25 says: "It is generally admitted that prunes are in about the poorest condition, as regards market demand and prices, of any of our fruit industries and yet we can not say it is due to overproduction. This seems to be one fruit, at least, that is suffering almost entirely from underconsumption and this because the industry as a whole has never been sufficiently organized to inaugurate and maintain an aggressive marketing campaign. There is no reason why the per capita prune consumption of the United States should not be two or three times what it is at present excepting that the industry has not, because of its unorganized condition, pursued the same aggressive campaign among consumers as have most of our other fruit industries...."

#### World

#### Wheat

#### Problem

July Wheat Study of the Food Research Institute, Stanford University, says: "Persisting surplus characterizes the current world wheat problem. For four years world wheat stocks have been excessive, by 200 to 300 million bushels or more. Available supplies have continuously exceeded annual consumption plus normal carryovers, even after large diversion into low price outlets. Margins between export surpluses and import requirements have been abnormally wide. Wheat prices in many countries have fallen distressingly low. The bumper crop of 1928 was mainly responsible for the emergence of huge surplus. Deepening economic depression since 1929 has contributed to its persistence; but extensive government policies, adopted without regard to their bearings on the world situation, have been more largely responsible. Russia's exports, the outcome of Soviet-planned policy, have been important in the past two years. Measures of many other nations have caused contraction of consumption or restrained its expansion, stimulated production, and increased the effective burden of the surplus. In the absence of such policies, nature and economic forces combined to solve the wheat-surplus problem of the 1890's and production expanded greatly in 1898-1914 without giving rise to another. Now no durable solution is in sight. Apparently nature can merely alleviate or intensify the problem, while economic forces are so greatly modified. At best, the normal price of wheat in the present decade will probably seem low. The logical outcome of current trends, however, entails need-less distress. Many proposed solutions would prove impractical or illusory. A rational approach to solution lies through expansion of consumption and temporary contraction of production, supported by a re-orientation of national policies toward consumer interests. Removal of restraints on consumption and stimuli to production, accepting low prices as inevitable for the time being, facilitating wide dispersion of stocks, and constructively promoting general economic recovery: these steps would go far toward solving the problem."



### Section 3 MARKET QUOTATIONS

#### Farm Products

July 14.--Livestock at Chicago: Slaughter cattle, calves and vealers, steers (1100-1500 lbs.) good and choice \$7.75 to \$9.50; cows, good and choice \$4 to \$6; heifers (550-850 lbs.) good and choice \$6.75 to \$8.25; vealers, good and choice \$5.50 to \$6.75; feeder and stocker cattle, steers, good and choice \$5.25 to \$6.25; heavy weight hogs (250-350 lbs.) good and choice \$4.50 to \$5; light lights (140-160 lbs.) good and choice \$4.65 to \$5; slaughter pigs (100-130 lbs.) good and choice \$4.15 to \$4.75 (soft or oily hogs and roasting pigs excluded from above quotations). Slaughter sheep and lambs: Lambs, good and choice (90 lbs. down) \$5.50 to \$6.50.

Grain: No.1 dark northern spring\* Minneapolis 47 3/4 to 51 3/4¢; No.1 northern spring\* Minneapolis 49 3/4 to 51 3/4¢; No.1 hard winter\* Kansas City 43 to 43 1/2¢; No.2 hard winter\* Kansas City 42 to 43¢; Chicago 49 to 49 3/4¢; St. Louis 48 3/4¢; No.1 S.R. Winter St. Louis 48 3/4 to 49¢; No.2 S.R. Winter Kansas City 43 to 44 1/2¢; Chicago 49 3/4¢; St. Louis 48 to 48 1/2¢; No.1 W. Wh. Portland 47 1/2¢; No.2 Am. Dur.\* 41 1/4 to 45 1/4¢; No.1 Durum (Duluth) Minneapolis 44 1/2 to 45 1/4¢; No.2 rye Minneapolis 28 1/8 to 31 1/8¢; No.2 mixed corn Kansas City 31 1/2 to 32 1/2¢; Chicago 32 3/4¢; St. Louis 31¢ (Nom.); No.2 white corn Kansas City 32 to 33¢; St. Louis 31¢ (Nom.); No.2 yellow corn Kansas City 37 1/2 to 38¢; Chicago 33 to 33 1/4¢; St. Louis 31¢ (Nom.); No.2 yellow corn Kansas City 37 1/2 to 38¢; Chicago 33 to 33 1/4¢; St. Louis 32 1/2¢; No.3 yellow corn Minneapolis 34 to 35¢; Kansas City 36 1/2 to 37¢; Chicago 32 3/4¢; St. Louis 32¢; No.2 white oats Chicago 20 1/4 to 21¢; St. Louis 19 1/4 to 19 1/2¢; No.3 white oats Minneapolis 17 1/4 to 18 3/4¢; Kansas City 18 1/2 to 20 1/2¢ (Nom.); Chicago 19 1/4 to 20 3/4¢; St. Louis 19 1/2¢; Special No.2 barley Minneapolis 31 to 32¢; Chicago 30 to 38¢; No.1 flaxseed Minneapolis 97 1/2 to \$1.01 1/2.

Virginia Cobbler potatoes brought \$1.75-\$2.50 per stave barrel in eastern cities; \$1.65-\$1.75 f.o.b. Eastern Shore points. Kansas and Missouri sacked Cobblers 70¢-85¢ per 100 pounds carlot sales in Chicago; 45¢-50¢ f.o.b. Kaw Valley. Arizona Salmon Meat cantaloupes \$1.75-\$2 per standard crate of 45 melons in consuming centers. Florida, Georgia and South Carolina Tom Watson watermelons, 24-30 pounds average, \$220-\$280 bulk per car in New York City; 26-30 pounds, \$30-\$75 f.o.b. Moultrie, Georgia. Georgia Hiley peaches, medium to large sizes, ranged \$2.75-\$3.50 per six-basket crate in terminal markets; \$2.15-\$2.35 f.o.b. Macon. New Jersey Yellow onions 75¢-90¢ per 50-pound sack in the East. Iowa Red Globes 65¢-75¢ in Chicago.

\*Prices basis ordinary protein.



Average price of Middling spot cotton in the ten designated markets declined 22 points to 5.35¢ per lb. On the corresponding day one year ago the price stood at 8.71¢. July future contracts on the New York Cotton Exchange declined 21 points to 5.53¢, and on the New Orleans Cotton Exchange declined 22 points to 5.53¢.

Wholesale prices of fresh creamery butter at New York were: 92 score, 18½¢; 91 score, 18¼¢; 90 score, 17¾¢.

Wholesale prices of No. 1 fresh American cheese at New York were: Single Daisies, 11 to 11½¢; Young Americas, 11 to 11½¢.

Wholesale prices of fresh eggs, mixed colors, at New York (Urner Barry Company quotations) were: Special Packed, 17 to 19½¢; Standards, 16 to 16½¢; Rehandled Receipts, 15 to 15½¢.  
(Prepared by Bu. of Agr. Econ.)

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# DAILY DIGEST

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Vol. XLVI, No. 13

Section 1

July 16, 1932.

## FEDERAL ECONOMY MEASURES

President Hoover cut his own salary 20 per cent yesterday, according to the press. It was announced also that the Vice President and the Cabinet officers would return 15 per cent of their annual salaries to the Government.

The report says, further: "Meanwhile, an executive order giving the departmental heads the privilege of putting in the five-day week where desired was in preparation yesterday at the White House....President Hoover let it be known that he was in accord with this principle....There are indications that the five-day week will have only a limited application, however, sentiment generally being in favor of allowing the workers to accumulate their 'payless leave' on the basis of the ruling by Controller General McCarl, providing for the deduction each half month of one and one-quarter day's pay...."

## IN CONGRESS

The press today says: "Unemployment relief legislation, over which House and Senate conferees had been deadlocked, was pushed through the House yesterday and was ready for the Senate soon after Senate conferees yielded on the point in dispute--the policy of full publicity for all loans advanced by the Reconstruction Finance Corporation...."

The home loan bank bill also remains "unfinished business." The House rejected the currency expansion amendments to the home loan banking bill, and sent it back to conference.

Extension of crop production loan provisions to include planting, summer fallowing and the dairy and poultry industries, was approved yesterday by the Senate. Without a record vote, it accepted a conference report--also approved by the House yesterday--on a bill permitting such advances from the Reconstruction Corporation's agriculture fund which is administered by the Agriculture Department. It now must be approved by the President. (Press, July 16.)

## BRITISH-FRENCH ACCORD

A London dispatch July 14 says: "The British and French governments on Wednesday announced an agreement between themselves that re-establishes the Anglo-French entente as a dominant force in European politics and is intended to set up a European 'common front' in all but name and create something like a political truce among the chief European powers...."

## BRITISH-IRISH TARIFF

A London dispatch today says: "Prime Minister MacDonald and President de Valera failed last night in their endeavor to avert the tariff war that now seems certain as a result of the contention of the government of the Irish Free State that no more land annuities need be paid to Britain...."

## TRADE PARLEY

A Geneva dispatch today states that the council of the League of Nations yesterday constituted itself sponsor for the international monetary and economic conference provided for by the Lausanne reparations treaty.

## Section 2

Farm Conditions      In an editorial entitled "The Rural Billion," The New York Times for July 12 says: "Of the two billion people on the face of the earth, at least one billion are directly dependent upon agriculture for a living. A majority of them, according to Kenyon L. Butterfield, who has become a student of rural conditions throughout the world, live close to the economic margin. In fact, the average consuming power has been so slight that if the income of each individual were increased by only \$10 a year, there would be an enormous outlet for what the non-agricultural billion are producing.

"An International Institute of Agriculture, organized by an American twenty-five years ago, has the interest of this rural billion as its special concern. 'To conserve nature's conservative, the farmer,' in all parts of the world is its main object. Incidentally, it is anxious for the morrow of the other billion, as to wherewithal they shall be fed and clothed....For the American corner of the field the report comes from one familiar with conditions all the way across the continent that there is hopefulness in the rural areas and small towns for the future, because the people are 'weighing their expenditures in terms of values and returns.' On the one hand, there is a steady trend toward commercial farming, with utilization of by-products and elimination of waste--a farming that must have the world's markets in its horizons--and on the other, a return to 'subsistence' and 'part-time' farming for increasing numbers, recruited from the idle or partially employed. But for the most part and in the end the state of the second billion will depend largely upon the welfare of the rural billion."

Java Sugar Plans      An Ostend, Belgium, dispatch July 15 says: "The international sugar conference at Ostend struck a snag today in what was intended to be its final plenary session. The Javanese delegates stubbornly opposed granting an increase in the quota for European distribution desired by the Cubans, which it was believed yesterday would be accepted today. As a result the Cubans will have only the amount allowed them under the Chadbourne plan for another three months. The conference will reconvene in September, probably in Paris."

Livestock Prices      An editorial in The Northwestern Miller for July 13 says: "An authority on livestock prices estimates that the recent advance in hog prices, amounting to about sixty per cent, basis western markets, added approximately two hundred million dollars to the market value of the more than sixty million hogs in possession of the country's growers. An additional three hundred to four hundred million dollars were added to farm values by the advance in cattle prices and yet other scores of millions by the mounting prices of sheep and lambs. Hogs, thirty days ago selling for less than three dollars, now are apparently more than transiently stabilized at five dollars, while top prices for beef cattle are at the nine dollar mark.



These prices, it must be borne in mind, are not the result of artificial influences but reflect evident increasing shortage of supplies and reappearance of actual consumer demand. While it is by no means guaranteed that it will hold, the new price range comes at a time when it gives new courage to the great livestock industry, comes, too, at a time when grain growers still are suffering grievously from the results of bad legislation. What effect recovering meat prices may have upon the price of grain and other commodities is yet to be determined. There is every reason to anticipate that the unstabilized industry will lead the stabilized commodities in the upward climb."

Milk  
Produc-  
tion

An editorial in Dairy Produce for July 6 says: "Reports as to milk production are somewhat conflicting, but the conclusion we would reach from them is that production is about the same as it was at this time last year. And further we conclude that for the country as a whole the flush of production has been passed. One local report near the close of last month, and coming from milk distributors, was that they had just experienced a sudden and sharp decrease of milk receipts, and that this falling off had been so impressive that they were optimistic as to the future. We find too among reports from creamery operators, particularly in our intensive butter producing territory, the feeling that the low point of production has been passed and that the milk, butter and other dairy factors are going to do better from now on. The butter people, particularly, do not figure that butter production for the year will not exceed that of last year, but will be found to be about the same for the two years. With so much less butter in storage and an excellent competitive demand--better than last year--there will be improvement. Under these circumstances if there be any great surplus of milk, it will be attracted to the butter factories and will be equalized with some benefit to the whole dairy market...."

Mushrooms

An editorial in The Dakota Farmer for July 9 says: "Want to make a little extra money--easy? Then, grow mushrooms, say the grafters. Promoters describe mushroom growing as a new and unexploited business requiring only a small capital investment and comparatively little experience with almost certain prospects for large profits because of the alleged scarcity and high price of mushrooms. Such claims are for the most part misleading. More than 15,000,000 pounds of mushrooms are grown annually in the United States--more than profitable sale can be found for at present. Prices are much lower than the grafters represent. Persons unfamiliar with the field do not realize that there are diseases and pests of mushrooms and that the same economic conditions which compel the prospective grower to seek a new source of income are also operating to make the growing of mushrooms less profitable."

New York  
Milk

The New York Times for July 15 says: "Suggestions designed to aid dairy farmers by eliminating cut-price selling of retail milk in the New York City market were outlined yesterday

at the second of the New York hearings of the joint legislative committee to investigate the milk industry....The universal application by all farmers serving the New York City market of what is known as the 'classified price plan,' by which the prices all receive for a specific class of milk product, such as fluid milk or the surplus which is used for butter and other products are averaged, and the average price is paid to each producer, was urged by Harry A. Cronk, president of the Borden's Farm Products Company, Inc. He said that this would assure the producers of a market and distribute fairly the burden of the milk surplus. This plan is used by the Dairymen's League Cooperative Association, Inc., an organization, from which, he testified, his concern buys about one-half of its milk and cream. Cronk insisted that the cut price situation would disappear 'if all unorganized farmers would market their milk through some organized producers' agency with a uniform price plan agreed to by all producers' groups.'....L. A. Van Bomel, president of the Sheffield Farms Company, Inc., opposed any move to put all the farmers into one organization, which would control prices. He said he did not think that prices could be controlled, asserting that 'there would always be milk dealers in the city of New York who would induce defections from the organization for profit,' and that 'the price of milk will ultimately be determined by the law of supply and demand in the same manner that it is at present.'..."

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# DAILY DIGEST

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Vol. XLVI, No. 14

Section 1

July 18, 1932.

## CONGRESS CLOSES

The first session of the Seventy-second Congress closed before midnight on Saturday, according to the press of July 17. A round 500 laws were enacted by Congress during the session. A gross reduction of more than \$1,000,000,000 in the appropriations for the fiscal year 1933, compared with the same period of 1932, was set forth as among the accomplishments of this Congress.

The report says: "The climax of the night session came when the Senate finally triumphed over the House after an all-day deadlock on the home loan bank bill. House capitulation on the Borah-Glass currency expansion rider, by a vote of 120 to 114, ended the deadlock after three votes had been taken on the dispute. The bill then was sent to President Hoover for his approval. It was expected that he would sign the bill."

## THE RELIEF BILL

President Hoover will sign the \$2,122,000,000 unemployment relief bill tomorrow as it came to him from Congress, which had revamped the measure to meet the objections raised when he vetoed an earlier enactment, according to the press today. The President's statement, issued at the White House yesterday, declared that with the \$1,500,000,000 of loans authorized through the Reconstruction Finance Corporation for self-liquidating projects "we should ultimately be able to find employment for hundreds of thousands of people without drain on the taxpayer." The loans to be made to farmers would aid agriculture, the President said...."

## FARM LOAN FUND

The Farm Board on Saturday received congressional sanction for \$40,000,000 to retire existing loans against Farm Board wheat and cotton released to the Red Cross for relief distribution. The measure is now at the White House. (Press, July 17.)

## LIVESTOCK VALUES

A Chicago dispatch today says: "Livestock is calling the turn. Down in the yards they have been watching the longest increasing advance in hog prices ever known. They have seen cattle lead the way as the first farm commodity to rise above 1931 prices. For 34 days without interruption hog prices gained steadily. From \$3.50 for 'top' hogs on May 28 the price swelled to \$5.55 last Monday, while the average advanced from \$3.15 to \$5. During the last week a reaction set in--a natural reaction, perhaps, after an amazing forward movement, but accentuated by the wave of heat that engulfed most of the country and drowned out the market for fresh pork. The setback trimmed 40 to 50 cents from the \$2 gain....Charles A. Wilson, president of the Chicago Live Stock Exchange, called the recent gains seasonal. He pointed out, too, that prices still lie well below the five and ten year averages. Cattle alone, averaging \$8.25 last week, have climbed above the corresponding week of 1931, when the average was \$7.65. Hogs, despite their advance, averaged \$4.80 last week, against \$6.40 a year ago...."



## Section 2

Barter in California under the title "Back to Barter" in The July Midmonthly Survey for July 15, says: "For some months Los Angeles has been observing an interesting experiment in the cooperative exchange of services, skilled, unskilled and professional, with an occasional flyer in commodities, in which no money changes hands. The Co-operative Exchange is demonstrating that, given a sufficient volume of applicants and a sufficient variety of services, a clearing house of personal energies and skills can be valuable to many individuals and to the community. The exchange is non-profit-making and self-supporting. Since its staff receive their small remuneration in terms of exchange credits, it runs practically on its own wheels....The exchange also deals to a limited but growing extent in commodities. Fruit growers, unable to sell their produce except at a loss, are offering tons of it where it stands. The exchange is able to mobilize pickers, packers and trucks, who collect the fruit and distribute it to the members. The exchange is a perfectly simple and logical device which, while it does not reach very deep into unemployment distress, does somewhat assuage it. The Los Angeles experiment started at scratch and has had some growing pains, but it has now reached a point where it offers a pattern which other communities might profitably study either for a new section of a going non-profit-making exchange, or as a new activity promoted by a Chamber of Commerce or by a Council of Social Agencies."

British Canning Process-  
es Nature (London) for July 2 says: "The processes that made the preservation of fruit and vegetables possible were discovered in France more than a century ago, but although numerous canning factories have been in operation in several European countries, America, and parts of the British Empire, it is only during the last ten years that any have been built in England. However, 53 such factories were in operation in this country by 1931. The quantity of canned fruit imported into England has shown an enormous increase in recent years. In view of this greater demand, the home industry has every prospect of success, provided the grower will produce the right type of fruit and vegetable. To meet this need, the Ministry of Agriculture has published an illustrated bulletin (No.45) entitled 'Fruit and Vegetable Production for Commercial Canning' (London: H.M. Stationery Office, 1s. 3d.) Plums are by far the most important tree fruit for canning purposes, the use of cherries being somewhat restricted owing to the tendency of the juice to act on the metal container and the difficulty of finding a suitable variety. As regards the commonly grown soft fruits, the majority may be successfully canned if firm, clean fruit is selected. Up to the present, peas are the only vegetable that has been canned in any quantity, but the possibilities of extending the industry to include other vegetables are indicated. Production for the cannery is an entirely different proposition from production for the fresh market, and it is essential that the grower should recognize this from the start. On the whole, it would seem most

suited to large-scale producers with mechanical methods of cultivation, as regular, standardized consignments are required and costs must be kept as low as possible. From the long experience obtained in other countries, the desirability of contract growing is indicated. Various methods of this system are discussed, but it is evident that special arrangements will need to be worked out to meet the particular requirements of the different crops. Some such methods should, however, do much to promote the development of the industry and give confidence to the growers."

Cotton  
in Road  
Con-  
struc-  
tion

Arnold M. Davis, writing in Manufacturers Record for July 14, on "Cotton in Road Construction," says: "The use of cotton fabric is a comparatively new feature in roadbuilding. It has been applied to other products, such as automobile tires, roofings, and buildings for a long time. The theory of the use of cotton fabric in a road is to form a waterproof cover that actually carries the load, and to produce a tensile strength in a paving material in the same manner as cotton fabric is used in an automobile tire. The pavement, having an asphaltic coated fabric immediately beneath the wearing surface, is designed so that water may not enter the base and cause it to lose its stability, or to allow the fine particles to work up into a crack and prevent it from healing under traffic. The fabric is laid immediately beneath a light wearing surface of asphaltic coated aggregate. In the event there is a possibility of water entering the road base by capillary action, an additional fabric is laid 12 inches under the wearing surface. This treatment has been designated the 'capillary prevention' and extends from the out-to-out limits of the road bed, so as to drain the water back into the ditches. A road embodying the use of cotton fabric was recently built near Baton Rouge, La., by Nelson Brothers, contractors...."

An editorial in the same issue says: "Arnold Davis, the writer of this article, has been building roads in California, Mississippi, Arkansas, Florida, South Carolina, and Louisiana. Four years ago, while working on a road project in Arkansas, he hit on the cotton road idea by accident. A workman, manning an asphalt distributor, had his shirt torn off by the machinery and it dropped to the roadbed and was covered with asphalt. The shirt was left where it fell and the road was completed over it. Some weeks later the road began to crack. Davis was sent to find the cause. He saw the road sunken and cracked from rain and mud action, but one spot seemed undamaged. He dug through the layer of asphalt and found the cotton shirt of the laborer water-proofed in asphalt, which prevented the passage of water and mud. There was the young engineer's idea. Since then he has been conducting experiments to determine the most satisfactory cotton cloth and the correct grade of asphalt to use. Roadbuilders from all parts of the country are watching the experiments with interest."



Ottawa Christopher Turnor writing on "Ottawa and Agriculture" in The Nineteenth Century (London) for July, says: "...It is submitted that the arguments set in the last few pages confirm the need for investigation into, and control of, the sources of supply, as advocated earlier in the article. If the importance of this problem be recognized and dealt with on broad lines at Ottawa, we may see a great advance in organization in the exchange of commodities which will be of much assistance, not only to producers in this country, but to producers throughout the world. At the present moment producers are working in the dark as never before; they do not know where they stand, since uncertainty reigns supreme. Neither the International Institute of Agriculture in Rome nor the committees at Geneva give the producer the information he needs; excellent reports are written, but they fail to get through to the farmer. If, however, some form of contract system be adopted by Great Britain, then other countries that produce our supplies will get the information needed in clear and businesslike terms. The result will be beneficial to the consumer as well as to the producer; under properly organized marketing conditions profiteering is rendered more difficult, and it should become possible to reduce the spread between wholesale and retail prices. It has been suggested that any contract system would lead to the formation of rings against the buyer, but at the first sign of such action notice could be given that the contracts, or a proportion of them, would be transferred to other sources of supply. In the present state of overproduction in main commodities, and with the transport facilities now available, there would be little fear of short supplies. Further, once the contract system were in working order, it would be possible to encourage new lines of production in the Dominions and Colonies. For example, California barley possesses certain qualities that make it essential in the manufacture of certain types of beer. The Empire at the moment can provide no substitute for this barley. But it has been discovered that Australian barley, grown in certain parts of South Africa, can replace Californian barley. It should, then, be possible to place a contract in that Dominion for a definite quantity of this barley...."

Wholesale Prices The Bureau of Labor Statistics of the U. S. Department of Labor announces that the index number of wholesale prices for the week ending July 9 stands at 64.8 as compared with 64.4 for the week ending July 2. This index number, which includes 784 commodities or price series, weighted according to the importance of each article and based on the average prices in 1926 as 100.0, shows that an increase of six-tenths of 1 per cent has taken place in the general average of all commodities for the week of July 9, when compared with the week ending on July 2.

Wool Market The Commercial Bulletin (Boston) for July 16 says: "The wool market is maintained on a steady basis. Demand has favored the finer qualities, with comparatively little business being done in the medium grades. In the West, as in the eastern markets, prices are steadily maintained, with a moderate movement



of wool out of the growers' hands all the while. It is estimated that 70 per cent of the new clip has passed from the growers' hands to date. The foreign markets are improved generally, and the London colonial auctions are buoyant.

"The sale of some 14,000,000 to 15,000,000 pounds of mohair this week by the National Wool Marketing Corporation, thereby clearing the balance of the 1930-31 adult hair held by the Government cooperative, is the big news of the week in mohair. The price is not disclosed, but it is believed to have been somewhere between 6 and 8 cents. The Sanford-Goodall mills are the reported buyers. The loss to the cooperative over the average advance, freights and carrying charges is calculated at \$3,000,000 roughly, but the purchase from the manufacturers' point of view is considered constructive and encouraging to the textile trade generally."

### Section 3 MARKET QUOTATIONS

Farm July 15.--Grain: No.1 dark northern spring\* Minneapolis Products 50 1/4 to 52 1/4¢; No.1 northern spring\* Minneapolis 50 1/4 to 52 1/4¢; No.1 hard winter\* Kansas City 41 1/2 to 42¢; No.2 hard winter\* Kansas City 41 1/4 to 41 3/4¢; Chicago 47 1/2 to 48¢; St. Louis 47 to 47 1/2¢; No.1 S.R. Winter Kansas City 41 to 42¢; Chicago 47 1/2 to 48¢; St. Louis 46 1/2 to 47¢; No.1 W. Wh. Portland 45¢; No.2 Am. Dur.\* Minneapolis 41 3/4 to 45 3/4¢; No.1 Durum (Duluth) 44 3/4 to 45 3/4¢; No.2 rye Minneapolis 28 5/8 to 31 5/8¢; No.2 mixed corn Kansas City 31 1/2 to 32 1/2¢; St. Louis 31 1/2¢; No.2 white corn Kansas City 32 to 33¢; St. Louis 31 1/2¢ (Nom.); No.2 yellow corn Kansas City 37 to 37 1/2¢; Chicago 33 to 33 1/4¢; St. Louis 32 1/4 to 32 1/2¢; No.3 yellow corn Minneapolis 34 1/2 to 35 1/2¢; Kansas City 36 to 36 1/2¢; Chicago 32 3/4¢; St. Louis 32¢; No.2 white oats Chicago 19 1/2 to 21¢; St. Louis 19 1/4 to 19 1/2¢ (Nom.); No.3 white oats Minneapolis 17 3/8 to 18 7/8¢; Kansas City 18 to 20¢; Chicago 18 1/2 to 20¢; St. Louis 18 1/2 (Nom.); Special No.2 barley Minneapolis 31 to 32¢; Chicago 30 to 38¢; No.1 flaxseed Minneapolis 97 1/2 to \$1.01 1/2.

Livestock at Chicago: Slaughter cattle, calves and vealers, steers (1100-1500 lbs.) good and choice \$7.75 to \$9.50; cows, good and choice \$3.75 to \$4.75; heifers (550-850 lbs.) good and choice \$6.50 to \$8.25; vealers, good and choice \$5.50 to \$6.50; feeder and stocker cattle, steers, good and choice \$5.25 to \$6.25; heavy weight hogs (250-350 lbs.) good and choice \$4.50 to \$5.10; light lights (140-160 lbs.) good and choice \$4.75 to \$5.10; slaughter pigs (100-130 lbs.) good and choice \$4.25 to \$4.85 (soft or oily hogs and roasting pigs excluded from above quotations). Slaughter sheep and lambs: Lambs, good and choice (90 lbs. down) \$5.50 to \$6.50.

\* Prices basis ordinary protein.

Wholesale prices of fresh creamery butter at New York were: 92 score,  $18\frac{3}{4}\phi$ ; 91 score,  $18\frac{1}{2}\phi$ ; 90 score,  $18\frac{1}{4}\phi$ .

Wholesale prices of No.1 fresh American cheese at New York were: Single Daisies, 11 to  $11\frac{1}{2}\phi$ ; Young Americas, 11 to  $11\frac{1}{2}\phi$ .

Wholesale prices of fresh eggs, mixed colors, at New York (Urner Barry Company quotations) were: Special Packed,  $17\frac{1}{2}$  to  $20\frac{1}{4}\phi$ ; Standards,  $16\frac{1}{2}$  to  $17\frac{1}{4}\phi$ ; Rehandled Receipts, 15 to  $16\phi$ .

Average price of Middling spot cotton in the ten designated markets advanced 18 points to  $5.53\phi$  per lb. On the corresponding day one year ago the price stood at  $8.65\phi$ . July future contracts on the New York Cotton Exchange advanced 18 points to  $5.71\phi$ , and on the New Orleans Cotton Exchange advanced 19 points to  $5.72\phi$ .

Virginia East Shore Cobbler potatoes \$1.75-\$2 per stave barrel in eastern cities; \$1.50-\$1.60 f.o.b. Eastern Shore points. Kansas and Missouri Cobblers  $65\phi$ - $80\phi$  sacked per 100 pounds carlot sales in Chicago;  $45\phi$ - $50\phi$  f.o.b. Kaw Valley. Georgia Hiley peaches, medium to large sizes, \$2.75-\$3.75 per six-basket crate in terminal markets; \$2.25-\$2.50 f.o.b. Macon. Georgia Belles \$3.50-\$4 in New York City. Arizona Salmon Meat cantaloupes \$1.50-\$2 per standard 45s in consuming centers. New Jersey Yellow onions  $75\phi$ -\$1 per 50-pound sack in the East. Virginia stock  $80\phi$ - $85\phi$  per bushel hamper in Boston. Georgia and South Carolina Tom Watson watermelons, 24-30 pounds average \$240-\$295 bulk per car in New York City. (Prepared by Bu. of Agr. Econ.)



# DAILY DIGEST

Prepared in the Press Service, Office of Information, United States Department of Agriculture, for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Approval or disapproval of views and opinions quoted is expressly disclaimed. The intent is to reflect the news of importance.

Vol. XLVI, No. 15

Section 1

July 19, 1932.

## FARM MORTGAGE LENIENCY

The Associated Press today says: "President Hoover, in a letter to Senator Steiwer of Oregon, yesterday said each Federal land bank had agreed to pursue a 'humane' policy with regard to mortgages on farm property. The President forwarded a letter which he and the chairman of the Farm Loan Board, Paul Bestor, had written last October to the banks urging lenity in dealing with farm debtors...."

## CORN EMBARGO

A Kansas City dispatch today says: "A virtual embargo on corn and various grains and seeds originating in thirteen eastern and northern States, was agreed upon yesterday by officials of several Corn Belt States as a measure to combat the westward advance of the European corn borer. Illinois, Iowa, Kansas and Missouri were represented at a meeting at Kansas City, called by Dr. K. C. Sullivan, Missouri plant commissioner, to plan the fight against the insect pest, which has approached to within 14 miles of the Illinois border. Messages promising cooperation were received from Colorado, Nebraska, Texas, Arkansas and Minnesota...."

## ST. LAWRENCE WATERWAY

The St. Lawrence River treaty, sought for more than half a decade to open the great Midwest with a seaway from the Great Lakes to the ocean, was signed yesterday by the United States and Canada, according to the press today. Secretary Stimson signed for the United States and W. D. Herridge, Canadian Minister to Washington, for the Dominion. The report says: "The agreement must be ratified by the United States Senate and by the Canadian Dominion Parliament before becoming effective. Both the Parliament and Congress also must appropriate funds for construction of much of the 27-foot-deep waterway from the St. Lawrence River to the lakes. It will take ten years to complete the project...."

## CURIES DISCOVER NEW RAY

The Associated Press today says: "Another surprising discovery by the famous Curie family, a ray stopped more easily by common paraffin than by lead, is reported in Nature, British journal of pure science. The Curies say this ray is probably a beam of neutrons, the almost infinitely tiny things hailed as new 'ultimate particles' of matter, when announced recently at Cambridge University, England...."

## FURLOUGH PLANS

The press today says: "Administrative furloughs for Federal employees may not be invoked in any department until Congress has had another opportunity to pass on departmental deficiencies. This appeared likely yesterday after a canvass of the five departments most severely hit by curtailed appropriations. In each case decision on indeterminate furloughs has been indefinitely postponed. Administrative furloughs are distinguished from the compulsory 24-day 'legislative' furloughs ordered in the economy act. The former were to be called into effect at the discretion of department heads, in order to keep within appropriations. The latter are mandatory for all employees making more than \$1,000...."

## Section 2

Business            The Business Week for July 20 says: "The slow, incon-  
Situation    spicuous turns of the economic and political kaleidoscope in  
recent weeks have suddenly brought before the bored and unbe-  
lieving eye of business a pattern of somewhat rosier color, for  
the first time in more than a year....A surprising spurt of  
progress appears to have been made toward removing some of the  
international obstacles to recovery....Congress has closed a  
fairly constructive record of accomplishment during a difficult  
session and cleared the field for action of natural economic  
forces and convalescence of business confidence....Commodity  
prices have strengthened, partly under seasonal influences but  
partly also by force of more fundamental factors....Increasing  
firmness in security markets in face of poor past earnings reports  
and the low level of current business activity reflects a more  
hopeful view of the prospects of future improvement....Although  
the business barometers do not yet register the effects of these  
changes in the economic atmosphere, and should not be expected  
to do so at this customarily slack season, their increasing sta-  
bility is encouraging to those who believe that the volume of  
production and trade must be at or near the bottom....The con-  
tinued contraction of bank credit is still disturbing and indi-  
cates the need of more active cooperation of our banking system  
in efforts to stimulate private enterprise and expand employ-  
ment."

Food                Retail food prices in 51 cities of the United States,  
Prices    as reported to the Bureau of Labor Statistics of the United  
States Department of Labor, showed an average decrease of about  
1 per cent on June 15, 1932, when compared with May 15, 1932,  
and an average decrease of about 15 1/2 per cent since June 15,  
1931. The bureau's weighted index numbers, with average prices  
in 1913 as 100.0, were 118.3 for June 15, 1931; 101.3 for  
May 15, 1932; and 100.1 for June 15, 1932. During the month  
from May 15, 1932, to June 15, 1932, 27 articles on which  
monthly prices were secured decreased as follows: Onions, 30  
per cent; cabbage, 18 per cent; evaporated milk, 7 per cent;  
hens and lard, 6 per cent; vegetable lard substitute, 5 per cent;  
plate beef, canned red salmon, and butter, 4 per cent; sliced  
bacon, leg of lamb, and pork and beans, 3 per cent; rice, navy  
beans, and canned corn, 2 per cent; sirloin steak, rib roast,  
chuck roast, pork chops, sliced ham, oleomargarine, cheese,  
canned peas, tea, coffee, and bananas, 1 per cent; and wheat  
cereal, less than five-tenths of 1 per cent. Three articles  
increased: Potatoes, 11 per cent; strictly fresh eggs, 4 per  
cent; and oranges, 2 per cent. The following 12 articles  
showed no change in the month: Round steak, fresh milk, bread,  
flour, cornmeal, rolled oats, corn flakes, macaroni, canned  
tomatoes, sugar, prunes, and raisins. During the month from  
May 15, 1932, to June 15, 1932, 45 of the 51 cities from  
which prices were received showed decreases in the average  
cost of food. For the year period June 15, 1931, to June 15,  
1932, all of the 51 cities showed decreases.



International  
Trade

"In every country there is a widespread desire to stem the depression and to restore prosperity....In nearly all nations there is consent to the dictum that discussions of means for the restoration of international trade shall not include consideration of tariffs, the major barriers which prevent such recovery. Lack of confidence and fear of armed conflict constitute a major cause of further deflation, but there has been little genuine effort to find a common basis of political compromise or agreement for the disarmament which would restore confidence. The greatest single influence tending toward a further fall in prices is hoarding, and yet each country is striving to secure as much gold as possible and in some countries the hoarding of gold has become a private as well as a national vice. Those countries which have abandoned the gold standard are striving to hold on to their present supplies, and in some instances, to make further accumulations. If these countries would force gold upon the gold countries they would do more to strengthen their own exchange by helping to raise prices in gold countries, than they can possibly do by attempting to accumulate. It is against this background of contradictions that we must draw the picture of the genuine efforts which are being made to restore prosperity. With production at a lower relative level than ever in the past, with nearly all corporations showing losses, with farmers unable to meet mortgage payments, with millions unemployed and purchasing power fallen to an unbelievable minimum, it is difficult to keep that balanced viewpoint necessary for the appraisal of future prospects. In the aggregate the amount of effort which is being expended to end depression is tremendous, but as yet the achievements in this direction have been the negative successes attained in retarding the rate of decline and there is little or no evidence of positive gains in the direction of expansion." (Monthly Letter of the Royal Bank of Canada.)

Ottawa  
Conference

An editorial in Barron's for July 18 says: "...For Americans to look upon the Ottawa conference as necessarily and of design inimical to our interests would doubtless be <sup>as</sup> mistaken as to regard it with total indifference. A united British-flag trade front against the outside world, such as Lord Beaverbrook has long advocated, will assuredly be prevented by the conflicting lines of self-interest among the members of the Commonwealth of Nations. Dominions and colonies have too many and too important markets for their goods outside the Empire which neither the home country nor other domains within it can be relied upon to replace. There is no likelihood, then, that Ottawa can or will be disposed to plot our undoing in international trade....Nevertheless, the Ottawa conferees will seek and may find reciprocal trade arrangements of mutual advantage to Empire members; perhaps also 'three-cornered' trade relations with outside countries. In other words, the conference is likely to give impetus to the reciprocity principle as a practical means of obtaining gradual relief from the constricting network of tariffs, quotas

and the whole machinery of nationalism run wild. Whatever it so accomplishes will be for the benefit of Empire peoples and to the disadvantage of those who refuse to see that all trade is an exchange of benefits to the equal profit of vendor and vendee...."

Patent                    The Medical Officer (London) for June 25, in an edi-  
Laws and                torial on "Patent Law and Biology," says: "...If any system of  
Biology                patenting could be devised which would insure to industry and  
                          genius some return for industry and genius, all would welcome  
                          it most gladly. But no such system can be devised and all that  
                          any form of legislation can do is to encourage those with acute  
                          commercial instincts to exploit the genius of others. Profes-  
                          sor Steenbock patented activated ergosterol. What he did patent  
                          was 'a natural product formed by a natural agent from another  
                          natural product,' a position as impossible as if he had patented  
                          sunlight or sleep. This patent covers so much that nobody can  
                          study radiation, biochemistry, rickets or nutrition without  
                          running the risk of infringement, whereas in the course of de-  
                          velopment the actual preparation which was the excuse for the  
                          patent must become obsolete and of historical interest only.  
                          Professor Steenbock made nothing out of his patent; he never  
                          had any intention of profiting by it. As a matter of fact he  
                          gave over his rights to Wisconsin University. So it is possible  
                          that the Professor may at some future date find himself debarred  
                          by his own patent from pursuing his own researches! As a matter  
                          of fact, everything which touches on biology is much too vague  
                          and uncertain to admit of patenting. Some hormones can now be  
                          made synthetically and in the near future many others, and also  
                          vitamins, and conceivably antitoxins and antigens, may be  
                          synthesized. The processes of their synthesis might be patented  
                          without detriment because they are final and factitious. But  
                          most materials extracted from organic beings, which have been  
                          produced by those beings as a result of their energy, are crude  
                          products, only used until we can get others less crude and the  
                          research necessary to diminish their crudity must not be hampered.  
                          Our objection to medical patents may be ethical and traditional,  
                          but it is founded upon practical common sense...."

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### Section 3

Department of               

Agriculture

                          An editorial in The Baltimore Sun for July 16 says:  
                          "At present, thanks to the new Federal revenue bill, there is  
                          a tax of 5 cents per \$100 of future sales of commodities on the  
                          organized exchanges where formerly there was a tax of 1 cent.  
                          Representatives of nine of the major exchanges most strenuously  
                          urge a reduction to 2 cents per \$100 of futures sales as a meas-  
                          ure of 'farm relief.'...If one undertakes to analyze the validity  
                          of this contention with reference to the burden which it imposes  
                          per bushel of wheat sold on contract for future delivery it does  
                          not seem very impressive. With wheat at 50 cents per bushel, the



tax is one-fortieth of a cent per bushel. When that is compared to a standard commission charge of one-quarter of one per cent, payable to members of the Chicago Board of Trade for negotiating such sales, it does not seem imposing enough to wreck the market....It should be possible, however, to resolve this important controversy by reference to an unusually comprehensive array of scientific material. For several years the Federal Government has been maintaining in the Department of Agriculture a Grain Futures Administration which has been engaged in studying such questions as those involved in the relation of market activity upon wheat prices, and the relation of the prices of wheat futures to cash wheat prices. It should be able to provide clear light on the market significance of the new Federal tax on grain futures...."

#### Section 4 MARKET QUOTATIONS

Farm July 18.--Grain: No.1 dark northern spring\* Minneapolis  
Products 49 1/2 to 51 1/2¢; No.1 northern spring\* Minneapolis 49 1/2 to 51 1/2¢; No.1 hard winter\* Kansas City 40 1/2 to 41 1/2¢; No.2 hard winter\* Kansas City 40 to 40 1/2¢; Chicago 47 to 47 1/4¢; St. Louis 46 1/2 to 47¢; No.1 S.R. Winter St. Louis 47 to 47 1/4¢; No.2 S.R. Winter Kansas City 40 to 41¢; Chicago 47 to 47 1/4¢; St. Louis 46 1/2 to 47¢; No.1 W. Wh. Portland 44 1/2¢; No.2 Am. Dur.\* Minneapolis 41 1/4 to 45 1/4¢; No.1 Durum (Duluth) 44 1/4 to 45 1/4¢; No.2 rye Minneapolis 27 5/8 to 30 5/8¢; No.2 mixed corn Kansas City 31 1/2 to 33¢; Chicago 33 1/4 to 33 1/2¢; St. Louis 31 1/2 (Nom.); No.2 white corn Kansas City 32 to 33 1/2¢; St. Louis 31 1/2 to 32¢; No.2 yellow corn Kansas City 36 to 38¢; Chicago 33 1/4 to 33 3/4¢; St. Louis 32 to 32 1/2¢; No.3 yellow corn Minneapolis 34 to 36¢; Kansas City 34 to 36¢; St. Louis 32¢; No.2 white oats Chicago 19 1/4 to 20 1/4¢; St. Louis 19¢; No.3 white oats Minneapolis 16 3/4 to 18 3/4¢; Kansas City 16¢; Chicago 18 3/4 to 19 1/2¢; St. Louis 18¢ (Nom.); Special No.2 barley Minneapolis 30 to 31¢; Chicago 30 to 38¢; No.1 flaxseed Minneapolis 95 to 99¢.

Livestock: Slaughter cattle, calves and vealers; steers (1100-1500 lbs.) good and choice \$7.50 to \$9.40; cows, good and choice \$3.75 to \$5.50; heifers (550-850 lbs.) good and choice \$6.50 to \$8; vealers, good and choice \$5.50 to \$6.50; feeder and stocker cattle, steers, good and choice \$5.25 to \$6.25; heavy weight hogs (250-350 lbs.) good and choice \$4.35 to \$4.90; light lights (140-160 lbs.) good and choice \$4.60 to \$4.90; slaughter pigs (100-130 lbs.) good and choice \$4.10 to \$4.65 (soft or oily hogs and roasting pigs excluded from above quotations). Slaughter sheep and lambs: Lambs, good and choice (90 lbs. down) \$5.50 to \$6.50.

\*Prices basis ordinary protein.

Virginia Cobbler potatoes brought \$1.75-\$2.50 per stave barrel in eastern cities; \$1.50-\$1.60 f.o.b. Pocomoke, Md., and Eastern Shore points. Kansas and Missouri sacked Cobblers 65¢-80¢ per 100 pounds carlot sales in Chicago; 55¢-60¢ f.o.b. Orrick. Georgia Hiley peaches, medium to large sizes, \$2.50-\$3.75 per six-basket crate in terminal markets; mostly \$2.50 f.o.b. Macon. Georgia Belles \$3.25-\$3.75 and Elbertas \$3.50-\$3.75 in New York City. Arizona Salmon Meat cantaloupes \$1.75-\$2.50 per standard crate of 45 melons in consuming centers. Arkansas stock \$1-\$1.50 in the Middle West. North Carolina and Georgia Tom Watson watermelons, 24-30 pounds average, \$240-\$320 bulk per car in New York City; Dixie Belles, 24-28 pounds \$40-\$100 f.o.b. Macon. New Jersey Yellow onions 65¢-\$1 per 50-pound sacks in the East. Midwestern yellows 50¢-80¢ in city markets.

Average price of Middling spot cotton in the ten designated markets declined 12 points to 5.45¢ per lb. On the corresponding day one year ago the price stood at 9.03¢. July future contracts on the New York Cotton Exchange declined 12 points to 5.61¢, and on the New Orleans Cotton Exchange declined 11 points to 5.65¢.

Wholesale prices of fresh creamery butter at New York were: 92 score,  $18\frac{1}{2}$ ¢; 91 score,  $18\frac{1}{4}$ ¢; 90 score, 18¢.

Wholesale prices of No.1 fresh American cheese at New York were: Single Daisies,  $11\frac{3}{4}$  to  $12\frac{1}{2}$ ¢; Young Americas,  $12\frac{1}{2}$ ¢.

Wholesale prices of fresh eggs, mixed colors, at New York (Urner Barry Company) were: Special Packed,  $18\frac{1}{2}$  to  $20\frac{1}{2}$ ¢; Standards,  $17\frac{1}{2}$ ¢ to 18¢; Rehandled Receipts,  $15\frac{1}{2}$ ¢ to 17¢. (Prepared by Bu. of Agr. Econ.)

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# DAILY DIGEST

Prepared in the Press Service, Office of Information, United States Department of Agriculture, for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Approval or disapproval of views and opinions quoted is expressly disclaimed. The intent is to reflect the news of importance.

Vol. XLVI, No. 16

Section 1

July 20, 1932.

## RELIEF LOANS

The Reconstruction Finance Corporation yesterday prepared for an avalanche of applications for loans by States under the unemployment relief bill after receiving unofficial notice that probably thirty States will apply immediately for funds, according to today's press. The report says: "Under the bill passed by Congress and which will be signed by President Hoover as soon as the reorganization of the Reconstruction Finance Corporation has been completed, the corporation is authorized to lend \$300,000,000 to States for urgent immediate relief work. The only limitation on this fund is that not more than 15 per cent of the total, or \$45,000,000, be allotted to any one State. Governor Pinchot of Pennsylvania has asked for the maximum amount for his State and Governor Emmerson of Illinois yesterday sent a request for a grant of \$10,000,000...."

## FURLOUGH PLANS

R. C. Albright, in today's Washington Post, says: "The Senate economy committee will give Government department executives the remainder of the summer to work out furlough details before launching a study into possible changes, it was said authoritatively yesterday.... In October, after bureau chiefs have had every opportunity to observe the economy act in operation, letters will be circulated in all of the departments by the economy committee. Department heads and subordinate bureau chiefs will be called on for their candid opinion as to need for modification. The letters will go farther and ask for suggestions on added economies. Replies will furnish the basis for preliminary study when Congress reconvenes...."

## TRADE GAINS REPORTED

A Chicago dispatch today says: "Reports of expanding industry from almost every section of the country yesterday proved a cheerful note for the public in general and the financial communities in particular. From Youngstown, Ohio, came the report that the Republic Steel Corporation had begun the new week's operations at a higher rate than anticipated.... More news of increasing steel-mill activity came from the South, where the blooming, rod, wire and nail mills of the Gulf States Steel Corporation at Gadsden, Ala., resumed production...."

## COW CHAMPION

A Breckenridge, Minn., dispatch today says: "A nine-cow power milk producer is Holstein Lady Pride Pontiac Lieuwkje owned by F. E. Murphy, publisher of the Minneapolis Tribune. She has just broken the world's record for combined milk and butter production at Femco Farms, with a yearly output of 35,626 pounds of milk--about nine times that of the average cow--and 1,483 pounds of butter. She gives 50 quarts of milk a day. She has no dainty appetite, consuming about 94 pounds of feed and 25 gallons of water a day. She weighs nearly 1,900 pounds."

## Section 2

Birth  
Rates

"The Metropolitan Life Insurance Company has made public the following facts in regard to the decline of the birth rate: In twenty-four out of forty-two of the world's large cities the birth rate declined more than 5 per cent in 1931 as compared with 1930. The ten large German cities all showed declines of more than 10 per cent in live births in 1931 over 1930. In Berlin the birth rate last year reached the low figure of 8.7 per 1,000, the lowest figure for any of the German cities having a population of 500,000 and over and one of the lowest birth rates for any city in the world. The 1931 birth rate in Berlin was the lowest in the history of that city and may be compared with the rates of 11.2, 17.5 and 11.4 per 1,000 prevailing in Berlin in 1925, 1920 and 1915, respectively. In Dresden and Frankfort the birth rate fell below 10 per 1,000 for the first time in the peace-time history of these two cities. Every one of the fourteen large American cities recorded a drop in the birth rate during 1931. The decline was 22 per cent in Boston and 17 per cent in Detroit. The only large city in the United States with a birth rate over 20 per 1,000 was Pittsburgh, and there the rate declined more than 6 per cent from the 1930 figure. A favorable record was registered for mortality during 1931 in these world cities. All the German cities had either a substantially lower death rate in 1931 than in 1930 or else a stationary death rate. In Breslau and Frankfort the decline in mortality during 1931 was greater than 10 per cent. Munich, Leipzig and Dresden had declines of between 5 and 10 per cent. The Berlin death rate was unchanged. Among fourteen of our American cities slight increases in the death rate were observed for five cities and decreases for six, with Detroit and Milwaukee leading in the latter classification. How much of the decline in mortality, as well as in the number of births, in Detroit was due to the emigration of persons by reason of the prevailing unemployment conditions is not known. The death rate in New York City showed a very small increase, less than 1 per cent during 1931...." (Science, June 24.)

Canadians

An Ottawa dispatch July 19 says: "Representations Ask Tobacco from the tobacco growers of Quebec for a reduction in the Duty Re- British excise duty of \$1.50 a pound on imports of Canadian-duction grown tobacco were heard July 18 by Robert Weir, Minister of Agriculture. Between 400 and 500 producers made the trip to Ottawa. Canadian-grown tobacco enjoys a preference of 50 cents a pound in the British market, but growers believe \$1 a pound is necessary to benefit the Dominion producer."

Livestock

"The difficulties which confronted stockmen in 1920-1923 are now being repeated in an aggravated form and they are finding that the usual sources of credit have almost disappeared," declares John Fields, president of the Federal Intermediate Credit Bank of Wichita, Kans., in a statement issued by the bank. "There is a great need for at least 100 more agricultural credit corporations in the Ninth Federal Land Bank



District," he continues, "and these should be formed and managed with the clear understanding that loans to be discounted with the Federal Intermediate Credit Bank of Wichita must be good, fully-secured loans, made for agricultural purposes to good farmers. The financing of the livestock industry is usually in a precarious situation, especially on the producing end of the business, depending on short-time loans from banks which do not fit the longer time requirements of livestock producers. When deposits are heavy in commercial banks, feeders of cattle and sheep find no difficulty in financing purchases, and this provides an outlet for producers. When banks found themselves in difficulties in 1920, they were forced by declining deposits to require payment of livestock loans when due, and the resulting liquidation was ruinous. The importance of proper financing of the purchase of feeder cattle and sheep is being urged upon member banks by the Federal Reserve Board and the Federal Reserve Banks...."

Magazine            World's Work, a monthly magazine published since 1900,  
Merger            has been acquired from Doubleday, Doran & Co., Inc., of Garden City, L.I., by the Review of Reviews Corporation, New York, and will be merged with the Review of Reviews in the August 1 issue, according to an announcement made in New York July 18 by Albert Shaw, jr., secretary, treasurer and business manager of the Review of Reviews Corporation. (Press, July 19.)

Prices            The index number of wholesale commodity prices as computed by the Bureau of Labor Statistics of the U. S. Department of Labor shows a decrease from May, 1932, to June, 1932. This index number, which includes 784 commodities or price series weighted according to the importance of each article, and based on the average prices for the year 1926 as 100.0, averaged 63.9 for June as compared with 64.4 for May, showing a decrease of approximately three-fourths of 1 per cent between the two months. When compared with June, 1931, with an index number of 72.1, a decrease of about 11 per cent has been recorded in the twelve months. In the group of farm products decreases in the average prices of grains, live poultry, dried beans, cotton, hay, fresh milk at Chicago, onions, tobacco and wool, caused the group as a whole to decline 2 per cent from the previous month. Increases in the average prices of calves, cows, steers, hogs, sheep, lemons and oranges were shown for June. Among foods price decreases were reported for butter, cheese, evaporated and condensed milk, flour, canned corn and peas, fresh and cured beef, bacon, ham, dressed poultry, cocoa beans, and coffee. On the other hand, rice, lamb, mutton, fresh pork, veal, lard, raw and granulated sugar averaged higher than in the month before. The group as a whole declined about 1 per cent in June when compared with May. The hides and leather products group decreased 2 1/3 per cent during the month, with all the subgroups sharing in the decline. Textile products as a whole decreased 3 per cent from May to June, due to marked

declines for cotton goods, knit goods, silk and rayon, woolen and worsted goods, and other textile products. The subgroup of clothing declined slightly. In the group of fuel and lighting materials increases in the prices of gas, electricity, Pennsylvania fuel oil, gasoline, and California crude petroleum more than offset decreases in the prices of anthracite coal, bituminous coal, and coke. As a whole the group showed a net advance of  $1\frac{1}{4}$  per cent over the May level. Metals and metal products showed a slight downward tendency for June, due to decreases in iron and steel products and nonferrous metals. Increases were reported for plumbing and heating fixtures while agricultural implements and motor vehicles remained at the May level. In the group of building materials cement moved upward and structural steel showed no change in average prices for the two months. Brick and tile, lumber, paint and paint materials, and other building materials continued their downward movement, forcing the group as a whole to decline approximately 1 per cent. Chemicals, drugs and pharmaceuticals, and fertilizer materials showed further recession during June. Mixed fertilizers showed practically no change between the two months. The decrease of the group as a whole was two-thirds of 1 per cent for June. The group of miscellaneous commodities decreased one-third of 1 per cent between May and June due to declining prices of cattle feed, paper and pulp, and crude rubber, while for automobile tires and tubes the trend was upward. Other miscellaneous commodities remained at the level of the previous month. The June averages for all of the special groups of commodities were below those for May, ranging from a little less than one-half of 1 per cent in the case of finished products to  $1\frac{1}{3}$  per cent in the case of raw materials. Between May and June price decreases took place in 296 instances, increases in 77 instances, while in 411 instances no change in price occurred.

St. Lawrence Waterway      This is what the St. Lawrence Waterway is, according to the Associated Press: "A 27-foot-deep navigation channel from Montreal to Lake Ontario. Length--181 miles. Major construction--Two dams, one at Barnhart Island, one at Chrysler Island. Electrical power production--2,200,000 horsepower--one-half for the United States; one-half for Canada. Source of power--Power houses to be built at either end of each dam. Total cost--\$543,000,000, of which the United States will be charged with about \$272,453,000 and Canada \$270,976,000. Reductions from the total cost--Revenues from power disposal. Shipping potentialities--The opening of Great Lakes ports to oceangoing shipping. Time to complete--Seven to ten years."

Sugar Congress      An Ostend, Belgium, dispatch July 17 states that the International Sugar Congress broke up July 16 without tangible results. A statement issued after the final meeting said: "The sugar congress examined the special difficulties of Cuba and Java. Certain propositions were made to the Cuban delegation, which regarded them favorably but asked to be able to refer them to some authorities. There is no offer now open



to Cuba, which must itself make acceptable propositions."

### Section 3 MARKET QUOTATIONS

#### Farm

#### Products

July 19.-- Livestock at Chicago: Slaughter cattle, calves and vealers, steers (1100-1500 lbs.) good and choice \$7.25 to \$9.40; cows, good and choice \$3.50 to \$5.50; heifers (550-850 lbs.) good and choice \$6.25 to \$7.75; vealers, good and choice \$5 to \$6; feeder and stocker cattle, steers, good and choice \$5.25 to \$6.25; heavy weight hogs (250-350 lbs.) good and choice \$4.25 to \$4.75; light lights (140-160 lbs.) good and choice \$4.25 to \$4.70; slaughter pigs (100-130 lbs.) good and choice \$3.50 to \$4.35 (soft or oily hogs and roasting pigs excluded from above quotations). Slaughter sheep and lambs: Lambs, good and choice (90 lbs. down) \$5.50 to \$6.50.

Grain: No.1 dark northern spring wheat,\* Minneapolis 49¢ to 51¢; No.1 northern spring,\* Minneapolis 49¢ to 51¢; No.1 hard winter,\* Kansas City 41 1/2¢ to 42 1/2¢; No.2 hard winter,\* Kansas City 40 3/4¢ to 41 3/4¢; Chicago 47 1/2¢ to 47 3/4¢; St. Louis 47 1/2¢; No.1 soft red winter, St. Louis 48¢; No.2 soft red winter, Kansas City 42¢ to 43¢; Chicago 47 1/2¢ to 48¢; St. Louis 47 1/4¢ to 47 3/4¢; No.1 white wheat, Portland 44 1/2¢; No.2 amber durum,\* Minneapolis 42 1/8¢ to 46 1/8¢; No.1 durum, Duluth 45 1/8¢ to 46 1/8¢; No.2 rye, Minneapolis 28 3/8¢ to 31 3/8¢; No.2 mixed corn, Kansas City 32¢ to 33¢; Chicago 33 1/4¢; St. Louis 32¢; No.2 white, Kansas City 32 1/2¢ to 33 1/2¢; St. Louis 31 1/2¢ (Nom.); No.2 yellow, Kansas City 36 1/2¢ to 37 1/2¢; Chicago 33 1/4¢ to 33 1/2¢; St. Louis 32 1/2¢; No.3 yellow, Minneapolis 34 1/2¢ to 36 1/2¢; Kansas City 34 1/2 to 36¢; St. Louis 32¢; No.2 white oats, Chicago 19¢ to 20 1/4¢; St. Louis 19¢ (Nom.); No.3 white, Minneapolis 16 7/8¢ to 18 7/8¢; Kansas City 17¢; Chicago 17 3/4¢ to 19 1/4¢; St. Louis 17¢ to 17 3/4¢; Special No.2 barley, Minneapolis 30¢ to 31¢; Chicago 28¢ to 36¢; No.1 flaxseed, Minneapolis 90 1/4¢ to 94 1/4¢.

Virginia Cobbler potatoes \$1.65-\$2.40 per stave barrel in eastern cities; \$1.50-\$1.60 f.o.b. Eastern Shore points. Kansas and Missouri sacked Cobblers 70¢-80¢ per 100 pounds carlot sales in Chicago; 50¢-60¢ f.o.b. Southern shipping points. Arizona Salmon Meat cantaloupes brought \$1.50-\$2 per standard crate of 45 melons in consuming centers. California Honey Balls \$2-\$2.40 in the East; 75¢-\$1 f.o.b. Brawley. Georgia and South Carolina Tom Watson watermelons, 24-30 pounds average \$255-\$305 bulk per car in New York City; Dixie Belles 24-28 pounds \$60-\$110 f.o.b. Macon. Virginia yellow onions 85¢-90¢ per 50-pound sacks in the East. Iowa stock 60¢-\$1 in city markets and New Jersey 75¢-90¢. Georgia Hiley peaches \$3-\$3.25 per six basket crate, medium to large sizes in eastern cities; \$2.50 f.o.b.

\*Prices basis ordinary protein.

Macon. North Carolina Hileys \$2.25-\$3 in New York City; mostly \$2.50 f.o.b. Candor.

Average price of Middling spot cotton in the ten designated markets advanced 10 points to 5.55¢ per lb. On the corresponding day one year ago the price stood at 8.77¢. July future contracts on the New York Cotton Exchange advanced 12 points to 5.73¢, and on the New Orleans Cotton Exchange advanced 8 points to 5.73¢.

Wholesale prices of fresh creamery butter at New York were: 92 score, 18½¢; 91 score, 18¼¢; 90 score, 18¢.

Wholesale prices of No.1 fresh American cheese at New York were: Single Daisies, 11¾ to 12½¢; Young Americas, 12½¢.

Wholesale prices of fresh eggs, mixed colors, at New York (Urner Barry Company quotations) were: Special Packed, 17½ to 20¢; Standards, 16¾ to 17¢; Rehandled Receipts, 15¼ to 15½¢.  
(Prepared by Bu. of Agr. Econ.)

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# DAILY DIGEST

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Vol. XLVI, No. 17

Section 1

July 21, 1932.

## FURLOUGH PLANS

The press today says: "No Federal employees on full time basis may be furloughed to provide funds for part time help, Comptroller General J. R. McCarl ruled yesterday. At the same time he advised Secretary of the Treasury Mills that workers who did not get 15 days leave in the first half of this calendar year, may take it with pay in the next six months....Although McCarl advised the Treasury Secretary that workers may take leave earned in the last half of the last fiscal year up to the fifteen-day limit, he said no retroactive action could be taken against employees who took more than fifteen days in the last six months...."

## WAGES INCREASED AT AKRON

An A. P. dispatch today from Akron, Ohio, states that the India Tire and Rubber Company announced yesterday a 20 per cent salary increase, aimed at offsetting a similar reduction made in January. It was understood that about 400 factory and fifty office workers would benefit.

## THE GENEVA CONFERENCE

A Geneva dispatch today says: "The world disarmament conference's general commission yesterday received an adjournment resolution providing for limitation of specified heavy land guns and undefined effective troops. The resolution was drafted for acceptance under the guidance of 'the general principles underlying President Hoover's disarmament declaration.' Despite Dutch and Russian objection, Hugh Gibson anticipated general debate with a declaration affixing the stamp of American approval to the resolution...."

## THE OTTAWA CONFERENCE

"Nine nations of the British Empire will hoist their banners above Canada's Parliament Building today and set about the very serious business of bettering economic conditions for their 450,000,000 people," says an A.P. dispatch from Ottawa today. It says, further: "The United Kingdom, Canada, Australia, New Zealand, Newfoundland, South Africa, India, Southern Rhodesia and the Irish Free State--all of them subscribe to the tenet of J. H. Thomas, British secretary for dominions: 'We will not think of failure. We will not talk of failure....'"

## PRUSSIA UNDER DICTATOR

An Associated Press dispatch today from Berlin says: "The federal government set up a dictatorship yesterday over the entire State of Prussia, declaring martial law in Berlin and the Province of Brandenburg and sweeping out of office every member of the Prussian state cabinet. This drastic action precipitated the worst constitutional conflict since the founding of the Reich in 1871....Under an emergency decree issued by President Paul von Hindenburg, Chancellor von Papen became federal commissioner administering the State of Prussia. He named Lord Mayor Franz Brantzt, of Essen, as deputy commissioner...."

## Section 2

Agricultural  
Credit

An editorial in California Cultivator for July 16 says: "Regardless of the differences in opinion as to whether in the past agriculture has suffered from too little or too much credit, the fact remains that at the present time not only agriculture but all business is suffering because of restricted credit. By this we do not mean credit for expansion but credit on which to operate normally or to meet existing demands, for there are few if any businesses and practically no farmers foolhardy enough to want to expand in the face of present economic conditions. There are, however, a great many farmers who see in the near future prospects of being again able to farm at a profit and they would like to be able to carry on until that time. Without better credit facilities than now exist, together with more reasonable interest rates, many of them can not hope to weather the depression....There appears to be ample credit for agriculture but it largely goes for expansion and exploitation rather than to those farmers who by long experience and understanding have learned to be conservative and cautious in their expansion program. What we really need is not so much increased credit for agriculture as it is that the credit available be intelligently distributed with a view to the general stabilization of the industry rather than to the profits those handling the produce after it leaves the farmers' hands may make out of it."

Cooperative  
Service  
in Ore-  
gon

An editorial in The Oregon Farmer for July 14 says: "Another illustration of service rendered through cooperation is found in the record of the livestock shipping association in Wallowa County. After serving well the farmers of that area by pooling shipments of stock to market, the association last spring did a little production business as well. Stockmen needed hay, so a small revolving fund of the association was put to work to finance it. Some 150 farmers shared in the benefit. Nearly 500 tons of hay was brought in to meet emergency needs. It is doubtful if more than a small percentage of the farmers who were served could have cared for their own needs without this assistance. At least, they could not have done it with as little expense. This is just another little feather to stick into the cap of cooperation and the extension service. County Agent Donaldson was active in the work of the pool and of this feed financing program."

## Food Help

The Survey for July 15 says: "When family societies in St. Paul were shaken by the justly famous depression out of their established methods of relief administration they found themselves confronted by problems of purchasing on a large scale and of equitable relationships with merchants which called for clear and definite policies. That Lengthening Line, the report of relief work the past winter, prepared by the Community Chest, outlines the policies which were evolved and which have, it is said, effected savings of thousands of dollars. Home economists prepared a list of fifty essential food items on



each of which retail grocers submit monthly bids and establish unit prices. Families are required to select and grocers to sell from this list. Budgets for various sized families serve as guides in requisitioning food. Certain basic items appear in all food budgets. The home economists have also made up standard orders of these items, sufficient to supply an average family for a month, but in addition supplementary orders are given for perishable foods which must however be selected from the standard list. Nearly every substantial grocer in the city is cooperating in the procedure which has proved both flexible and controllable and satisfactory alike to client, tradesman and agency."

Grasshopper Enemies      An editorial in Topeka Daily Capital for July 15 says: "Farmers in the Dakotas are hopeful that a mysterious disease that has exterminated grasshoppers can be utilized to protect crops against these insects. There are of course varieties of grasshoppers. Some we have with us always, and they do small damage, while others of a different kind at long intervals appear in swarms, as they are said to have done in Iowa this summer, consuming the farmers' crops. Dakota farmers are reported to be spreading the bodies of deceased grasshoppers about, in the hope that the live ones will get the plague and flop over. The dispatch from Chamberlain, South Dakota, however, states that 'little damage to growing crops has been done this far this season by grasshoppers.' Agricultural entomologists are studying the dead grasshoppers to determine what the mysterious disease may be, which is reported to be so malignant that millions of grasshoppers died in a night. If a serum can be made that will be as destructive of some other insect pests, more injurious to growing crops than grasshoppers, the biologists may add one more achievement to many they have already accomplished as friends of the farmer...."

Imperial Conference      An editorial in Modern Miller for July 16 says: "Next week is a momentous one for Canadian and British millers and of great importance to British flour importers. It marks the opening of the Imperial Conference in Ottawa. The National Association of British and Irish Millers is sending a delegation of the most representative British millers. The flour importers are to be equally well represented. Canadian millers will be in attendance. The Imperial Conference, beginning July 21, will consider wheat quotas for the dominions, tariffs, preferential treatment, exchange, etc., involving a very difficult problem in connection with the new tariff and British aid to agriculture. It is realized that it is a delicate matter to satisfy the conflicting interests. The British press has discussed this subject at great length and with some bitterness. Canada is in a state of tension and the commission has its hands full to effect a satisfactory settlement where there is such a clashing of interests. This is what makes the Imperial Conference such a momentous one to British and Canadian millers and the world's grain trade. That the British government views this gathering

with concern is evidenced by the fact that six British cabinet ministers, several undersecretaries, six former cabinet ministers, and hundreds of representatives of British business organizations and individual business men are going to Ottawa. Stanley Baldwin is president of the conference."

Kansas  
Farm  
Plans

To those who had not abandoned farming entirely, and had become manufacturers of wheat exclusively, the failure of wheat was determined sufficiently early this year to permit them to plant corn, kafir, milo and various other feed crops, with the possibility of crop production worth much more than a good crop of wheat would have brought. This statement is made today by John Fields, president of the Federal Land Bank of Wichita, in the bank's bulletin, *The Financing of Farming*. The periodical continues: "Cash returns from farms in the Ninth Federal Land Bank District, and throughout the United States, will inevitably be much below normal in 1932. In such a situation, farmers can do nothing else than plan to use their short supplies of cash for purposes which will enable them to retain their homes and farms and means of production until prices of farm products improve. Taxes must be paid. There is no way of escaping payment of them and retaining possession of farms. Payments which become due on farm mortgages can not be permitted to remain delinquent indefinitely, with nothing paid on them, and possession of the farm be retained. When the owner of a mortgaged farm does not pay to the holder of the mortgage amounts each year at least equal to the proceeds of the customary landowners' share of production of rented farms, if that much is required to pay what is due, he forces the mortgagee to put himself in position to collect the rents. It is inevitable in the present situation that many whose farms are mortgaged should think that the easy way out is to let taxes go unpaid, and make no payments on amounts due on farm mortgages, feeling they can rent the farms and continue living on them if foreclosed, or rent other farms and exchange the satisfaction of ownership for escape from its responsibilities...."

Price  
Trends

An editorial in *The New York Times* July 17 says: "Whether the recent rise of commodity prices is temporary or a development of real significance, it is at least a welcome change. For many months the continued decline of values in the wholesale markets has been one of the most discouraging factors in the business outlook....As measured by *The Annalist*, the recent rise has now continued through four consecutive weeks. On June 14 the index number representing the average prices of seventy-four commodities stood at 87.3, a new post-war 'low.' It now stands at 93.1. The gain during this period has amounted to 5.8 points, or to 6.6 per cent. This is the largest advance recorded at any time since July, 1929, when commodity prices quietly turned down on the eve of the stock-market panic. It brings *The Annalist's* index number to the highest level it has reached



since January 19. While it would be rash to regard this gain as conclusive evidence that a decided change has occurred in the trend of prices, it is at least possible to note several encouraging elements aside from the extent and duration of the recent rise...."

### Section 3 MARKET QUOTATIONS

Farm July 20.--Livestock: Slaughter cattle, calves and Products: vealers, steers (1100-1500 lbs.) good and choice \$7.50 to \$9.40; cows, good and choice, \$3.50 to \$5.50; heifers (550-850 lbs.) good and choice \$6.25 to \$7.75; vealers good and choice \$5 to \$6; feeder and stocker cattle, steers, good and choice \$5.25 to \$6.25; heavy weight hogs (250-350 lbs.) good and choice \$4.20 to \$4.65; light lights (140-160 lbs.) good and choice \$4.25 to \$4.65; slaughter pigs (100-130 lbs.) good and choice \$3.50 to \$4.35 (soft or oily hogs and roasting pigs excluded from above quotations). Slaughter sheep and lambs: Lambs, good and choice (90 lbs. down) \$5.50 to \$6.50; feeding lambs (range stock) medium to choice \$5.50 to \$6.50.

Grain: No.1 dark northern spring\* Minneapolis 49 7/8 to 50 7/8¢; No.1 northern spring\* Minneapolis 49 7/8 to 50 7/8¢; No.1 hard winter\* Kansas City 42 1/2 to 43 1/4¢; No.2 hard winter\* Kansas City 41 3/4 to 42 3/4¢; Chicago 48 1/4 to 48 3/4¢; St. Louis 47¢; No.1 S.R. Winter St. Louis 48¢; No.2 S.R. Winter Kansas City 42 to 44 1/2¢; Chicago 48 1/4 to 48 1/2¢; St. Louis 47 1/2 to 47 3/4¢; No.1 W. Wh. Portland 44¢; No.2 Am. Dur.\* Minneapolis 42 1/8 to 46 1/8¢; No.1 Durum (Duluth) 45 1/8 to 46 1/8¢; No.2 rye Minneapolis 29 1/8 to 31 1/8¢; No.2 mixed corn Kansas City 33 to 34¢; St. Louis 32¢ (Nom.); No.2 white corn Kansas City 33 to 34¢; St. Louis 32¢ (Nom.); No.2 yellow corn Kansas City 35 1/2 to 36 1/2¢; Chicago 33 1/4 to 33 1/2¢; St. Louis 32 3/4¢; No.3 yellow corn Minneapolis 34 to 36¢; Kansas City 34 to 35¢; St. Louis 32¢ (Nom.); No.2 white oats Chicago 18 1/2 to 19 1/2¢; St. Louis 18 1/2 to 19¢ (Nom.); No.3 white oats Minneapolis 16 3/4 to 18 3/4¢; Kansas City 16 to 17 1/2¢; Chicago 17 1/4 to 19 1/2¢; St. Louis 16 3/4 to 17¢; Special No. 2 barley Minneapolis 30 to 31¢; Chicago 30 to 37¢; No.1 flax-seed Minneapolis 90 1/2 to 94 1/2¢.

Virginia Cobbler potatoes \$1.65-\$2 per stave barrel in the East with f.o.b. sales \$1.50-\$1.60 at Eastern Shore points. Kansas and Missouri sacked Cobblers 65¢-75¢ per 100 pounds carlot sales in Chicago; 55¢ f.o.b. Kaw Valley, Kansas. North and South Carolina Tom Watson watermelons, 24-30 pounds average, \$230-\$315 bulk per car in New York City. Georgia Hiley peaches, medium to large sizes, \$2.50-\$3.50 per six-basket crate in city markets; Belles \$2.35-\$2.50 f.o.b. Macon. North Carolina Hileys \$2.50-\$3 in Philadelphia; \$2.25-\$2.50 f.o.b.

\*Prices basis ordinary protein.

Candor. Arizona Salmon Meat cantaloupes \$1.75-\$2.25 per standard crate of 45 melons in consuming centers. North Carolina Salmon Meats, standards all sizes, \$1-\$1.25 in New York City. Virginia yellow onions 60¢-75¢ per bushel hamper in eastern cities. Iowa yellows 50¢-\$1 per 50-pound sack in city markets...

Wholesale prices of fresh creamery butter at New York were: 92 score,  $18\frac{1}{2}$ ¢; 91 score,  $18\frac{1}{4}$ ¢; 90 score, 18¢.

Wholesale prices of No.1 fresh American cheese at New York were: Single Daisies,  $11\frac{3}{4}$  to  $12\frac{1}{2}$ ¢; Young Americas,  $12\frac{1}{2}$ ¢.

Wholesale prices of fresh eggs, mixed colors, at New York (Urner Barry Company quotations) were: Special Packed,  $17\frac{1}{2}$  to 20¢; Standards,  $16\frac{1}{2}$  to 17¢; Rehandled Receipts,  $15\frac{1}{4}$  to  $15\frac{1}{2}$ ¢.

Average price of Middling spot cotton in the ten designated markets declined 10 points to 5.45¢ per lb. On the corresponding day one year ago the price stood at 8.54¢. July future contracts on the New York Cotton Exchange declined 8 points to 5.65¢, and on the New Orleans Cotton Exchange declined 8 points to 5.65¢. (Prepared by Bu. of Agr. Econ.)

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# DAILY DIGEST

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Vol. XLVI, No. 18

Section 1

July 22, 1932.

## RELIEF BILL SIGNED

President Hoover signed into law yesterday the gigantic Federal relief plan that masses \$3,800,000,000 in one coffer for invigorating business, increasing employment and relieving human destitution, according to the press today. This means: Operating funds of the Reconstruction Corporation are increased from \$2,000,000,000 to \$3,800,000,000. Funds made available for advances to States for unemployment relief, \$300,000,000. Provision of \$1,500,000,000 for public construction and self-liquidating private loans, and the financing of agriculture through credit corporations. Money available for advances to States under the Federal-aid highway law, \$120,000,000. For roads and trails in the national parks and forests, \$16,000,000. Provision of \$186,224,000 for public building and waterway improvement when the condition of the Treasury permits. Federal Reserve banks may discount eligible paper for individuals and corporations.

## RAIL MERGER PLANS

Abandoning its original plan for a fifth major trunk line railway system in the eastern section of the United States, the Interstate Commerce Commission yesterday gave formal approval to the four-system consolidation tentatively negotiated more than a year ago by officials of the New York Central, Pennsylvania, Baltimore & Ohio and the Chesapeake & Ohio systems, according to the press today. The report says: "With several important I.C.C. modifications of the railroad presidents' plan as submitted last October, the new project contemplates the ultimate unification of approximately 57,000 miles of railroads between New York and Chicago through absorption of virtually all the secondary roads by one of the four existing 'backbone' systems...."

## THE OTTAWA CONFERENCE

An Ottawa dispatch today says: "Canada struck deep into the heart of the problem of the imperial economic conference at its opening session yesterday by proposing to lower her own tariff walls for British Empire products, if the empire would do the same for her exports. But through her premier, R. B. Bennett, she warned there should be no preferences that would isolate the British Empire from the rest of the world. This qualification was particularly significant since 70 per cent of British Empire trade in the past has gone to foreign countries. American interests were vitally involved because the United States in 1929 got a major share of the commerce of the British dominions...."

## CHICAGO BOARD OF TRADE

The Associated Press today says: "Another step in the protracted battle between cooperatives and the Chicago Board of Trade was near yesterday with indications that the board would be found guilty of violating the grain futures act by refusing clearing house privileges to the Farmers National Grain Corporation...."

## Section 2

**Budget Estimates**      Whether steps taken to balance the budget for the present fiscal year have accomplished their purpose probably will not be known until the middle of November, and likely will not be made public until President Hoover submits the estimates for the 1934 budget to Congress, Treasury officials said July 20, according to the press of July 21. The report says: "Receipts are estimated at about \$3,258,500,000, including \$2,451,500,000 internal revenue, \$432,000,000 customs receipts and \$375,000,000 miscellaneous receipts....Expenditures of the Government have been estimated at about \$3,300,000,000 this year, not including the statutory debt retirement. Expenditures normally are below the appropriations. An effort will be made to keep them further below the appropriation this year than usual and to have a considerable amount of money turned back to the Treasury at the end of the year. At the same time the budget bureau is making preparations for the drafting of the 1934 budget, which, according to the plan, will be completely balanced, including a resumption of the retirement of the public debt. Estimates are due from the various departments September 1."

**Building Permits**      The Bureau of Labor Statistics of the United States Department of Labor has received reports of building permits issued from 354 identical cities of the United States having a population of 25,000 or over for the months of May, 1932, and June, 1932. The estimated cost of all buildings for which permits were issued in these cities during June was \$49,452,379. This was 26.3 per cent less than the estimated cost of building operations in these cities during the month of May. The number of permits for all building operations decreased 10.8 per cent, comparing these two periods. Comparing June, 1932, with May, 1932, there was a decrease of 15.4 per cent in the number and an increase of .3 of 1 per cent in the estimated cost of new residential buildings. New nonresidential buildings decreased 13.4 per cent in number and 38.3 per cent in estimated cost. Additions, alterations and repairs decreased 9.4 per cent in number but increased 2.7 per cent in estimated cost. During June, 1932, two thousand four hundred and eighty-eight family dwelling units were provided in new buildings. This is a decrease of 5.9 per cent as compared with May. Comparing permits issued in 343 identical cities in June, 1931, and June, 1932, there was a decrease of 64.5 per cent in the number and a decrease of 75.6 per cent in the cost of new residential buildings. New nonresidential buildings decreased 36.7 per cent in number and 34.5 per cent in estimated cost. Additions, alterations and repairs decreased 18.8 per cent in number and 43.0 per cent in estimated cost. Total construction decreased 30.0 per cent in number and 52.3 per cent in indicated expenditures. The number of family dwelling units provided decreased 73.9 per cent.



Dairy                    A Milwaukee dispatch to the press of July 21 says:  
Prices    "Wisconsin farmers are greatly encouraged by increases in dairy and poultry prices." Two weeks ago butter sagged fractionally under 16 cents a pound. It is now 18 cents, with dairy marketing authorities predicting higher cheese prices. A strong statistical position on storage supplies along with reduced milk production because of the hot weather is credited with lifting the butter price level."

Farm                    An editorial in The Washington Post for July 21 says:  
Movements    "One of the most encouraging signs of the times is the jubilation of western farmers over their prospects for obtaining better prices. The phenomenal rise of market quotations for hogs and other livestock has been heralded throughout the country as a harbinger of returning prosperity. It has given farmers an idea. Why should they not hold their wheat and other products until reasonable prices are offered? Reports indicate that a determination to take control of the market situation is sweeping through the agricultural States. North Dakota is engaged in a project of holding wheat until the better grades sell for \$1 per bushel. Farmers are enthusiastically supporting the movement. Other States are expected to join. If the plan is adopted throughout the wheat belt, farmers may get more than \$1 for their wheat when it finally goes on the market. They also have plans for releasing not more than 10 per cent of their holdings in any one month, so as to maintain the price...."

Livestock              A Kansas City dispatch July 14 says: "Cattle again  
Price    July 13 brought a top price of \$9.25 a hundredweight on the  
Rise    Kansas City market, although classes other than choice fat steers showed a tendency to sag. Commenting on the sharp rise in prices for cattle, hogs and lambs, H. L. Jarboe, president of the Drovers National Bank, said: 'Livestock is leading the way. The increasing value of livestock, which is the principal item of wealth in this area, by about \$500,000,000, will start the steady uphill climb of all business. I see it, and every banker at the Stock Yards sees it.'"

New Mexico            The New Mexico Cattle Raisers Association is actively  
Borrowings    at work endeavoring to raise funds which will make it possible for the Federal Intermediate Credit Bank to increase the supply of credit for New Mexico stockmen. At the end of June, 1932, the bank had more than  $2\frac{1}{4}$  million dollars of loans discounted for four lending corporations in New Mexico, but each has about reached the limit of discounts permitted by its capital and surplus. Additional credit is needed to supplement that extended by commercial banks in New Mexico, which are doing their utmost to sustain the State's chief industry. (Intermediate Credit Bank of Wichita.)

South's : Manufacturers Record for July 7 says: "Scientific re-  
Pine Forest search has advanced the South another step nearer the estab-  
Utiliza- lishment of a great new industry for the production of white paper  
tion and newsprint from southern pines. Pulp and kraft paper have  
been produced successfully for 20 years and the South is dominant  
in this field. It remained for recent experiments to prepare the  
way for the manufacture of the better grades of paper from pine  
pulp in the Southern States. Laboratory tests had indicated that  
fine white paper and newsprint could be made from slash pine, but  
the announcement by Dr. Charles H. Herty, director of the experi-  
mental paper plant at Savannah, that these products also had been  
made successfully from long leaf and loblolly pines of the South  
is of the utmost significance. The definite known results of this  
research work open a great opportunity for the South. These  
later developments of Doctor Herty and his associates are more  
far-reaching than the first successful endeavor to make white  
paper from slash pine for they make apparent at once a huge  
available supply of pulp wood. The slash pine forests of the  
South, estimated to cover about 10,000,000 acres, are limited to  
a restricted coastal area in Georgia, Florida and the Gulf States.  
On the other hand, long leaf and loblolly pine forests, consti-  
tuting the greater part of the South's coniferous wood resources,  
are scattered over 100,000,000 acres in the Southern States from  
Virginia southward, and extend into Oklahoma and Texas. Based  
on the 10,000,000 acres in slash pine forests, there is a fair  
pulp wood supply, but it is not comparable to the immense re-  
sources which this further experimental work has opened up for  
possible use. These vast pine forests reserves practically as-  
sure the United States a continuous pulp wood supply....Doctor  
Herty has found that the resin, which has heretofore been the  
stumbling block in utilizing pine for white paper, does not de-  
posit in slash, long leaf and loblolly pines until they are 25  
years old, and this makes the young and second growth trees of  
the greatest value. Also, while awaiting growth to lumber sizes  
the pine forests must be thinned out continually and the young  
pines formerly wasted under this method are said to offer the  
best pulp wood for fine paper making."

West : An editorial in The African World for June 18 says:  
African "The official report on the trade of Nigeria in 1931, just to  
Trade hand, emphasizes the disastrous effect which the continued fall  
in commodity prices has had on the trade of the British West  
African Colonies....The total value of exports dropped from  
15,174,315 pounds in 1930 to 10,644,519 pounds in 1931, a de-  
crease of 8.8 per cent, while imports figured at only 6,744,199  
pounds last year as compared with 12,700,037 pounds in 1930, a  
drop of 46.8 per cent. The reduced purchasing power of Nigeria's  
teeming population is a serious matter for the trade of Great  
Britain, which supplied 67 per cent of Nigeria's commercial im-  
ports last year, as against 75 per cent in pre-war days. On the  
other hand, the increased quantities of palm oil and ground  
nuts going to France, Germany, and Holland have resulted in an



appreciable increase of the Colony's aggregate trade with those countries, though imports from Germany have declined to less than 10 per cent of the total. Another noteworthy fact is the steady rise in imports from the U.S.A. from less than 1 per cent in 1925 to nearly 9 per cent last year; this is principally due to the increasing demand for motor vehicles, which is largely met by American enterprise. Whilst the report makes anything but cheerful reading at the present time, there is no cause for despondency, for a close study of the facts and figures it contains reveals not only the inherent strength of Nigerian production, which only awaits the necessary stimulus to further expansion, but the possibilities of a diverse import trade...."

### Section 3 MARKET QUOTATIONS

#### Farm

#### Products

July 21.--Livestock: Slaughter cattle, calves and vealers, steers (1100-1500 lbs.) good and choice \$7.50 to \$9.40; cows, good and choice \$3.50 to \$5.50; heifers (550-850 lbs.) good and choice \$6.25 to \$7.75; vealers, good and choice \$5.50 to \$6.25; feeder and stocker cattle, steers, good and choice \$5.25 to \$6.25; heavy weight hogs (250-350 lbs.) good and choice \$4.25 to \$4.80; light lights (140-160 lbs.) good and choice \$4.40 to \$4.80; slaughter pigs (100-130 lbs.) good and choice \$3.75 to \$4.50 (soft or oily hogs and roasting pigs excluded from above quotations). Slaughter sheep and lambs: Lambs, good and choice (90 lbs. down) \$5.50 to \$6.50.

Grain: No.1 dark northern spring\* Minneapolis 49 5/8 to 50 5/8¢; No.1 No. spring\* Minneapolis 49 5/8 to 50 5/8¢; No.1 hard winter\* Kansas City 42 3/4 to 43 1/4¢; No.2 hard winter\* Kansas City 42 1/4 to 43 1/4¢; Chicago 48 to 48 3/4¢; St. Louis 47 1/2¢; No.1 S.R. Winter St. Louis 48 to 48 1/4¢; No.2 S.R. Winter Kansas City 42 1/4 to 43 1/4¢; Chicago 47 3/4 to 48 1/4¢; St. Louis 47 1/2 to 48¢; No.1 W. Wh. Portland 44¢; No.2 Am. Dur.\* Minneapolis 43 to 47¢; No.1 Durum (Duluth) 45 7/8 to 46 7/8¢; No.2 rye Minneapolis 29 1/8 to 31 1/8¢; No.2 mixed corn Kansas City 33 to 34¢; St. Louis 32 1/2 (Nom.); No.2 white corn Kansas City 33 1/2 to 34 1/2¢; St. Louis 32 1/2 to 33¢ (Nom.); No.2 yellow corn Kansas City 35 1/2 to 36¢; Chicago 32 3/4 to 33¢; St. Louis 33¢; No.3 yellow corn Minneapolis 33 1/2 to 35 1/2¢; Kansas City 34 to 35¢; Chicago 32 1/4¢; St. Louis 32 1/2¢ (Nom.); No.2 white oats Chicago 18 to 19¢; St. Louis 19¢; No.3 white oats Minneapolis 16 3/8 to 18 3/8¢; Kansas City 15 1/2 to 17 1/2¢; Chicago 16 1/2 to 17 1/4¢; St. Louis 16 1/2¢; Special No.2 barley Minneapolis 30 to 31¢; Chicago 30 to 37¢; No.1 flaxseed Minneapolis 90 1/2 to 94 1/2¢.

\*Prices basis ordinary protein.

Virginia Cobbler potatoes \$1.50-\$2.25 per stave barrel in eastern cities; \$1.50 f.o.b. Eastern Shore Points. Kansas and Missouri sacked Cobblers \$1.10 per 100 pounds in Cincinnati. Georgia, North and South Carolina Tom Watson watermelons, 24-30 pounds average, \$2.15-\$3.00 bulk per car in New York City; 24-26 pounds \$50-\$85 f.o.b. Macon. Midwestern yellow onions 35¢-90¢ per 50-pound sacks in consuming centers. California Yellow Bermudas 65¢-90¢ in city markets. Arizona Salmon Meat cantaloupes \$1.50-\$2.10 per standard crate of 45 melons in terminal markets. California Honey Balls \$2-\$2.50 in consuming centers with f.o.b. sales 75¢ at Brawley. Georgia Hiley peaches, medium to large sizes, \$2.50-\$3.50 per six-basket crate in city markets. North Carolina Hileys \$2.50-\$3 in New York and Philadelphia; \$2.25-\$2.50 f.o.b. Candor.

Wholesale prices of fresh creamery butter at New York were: 92 score, 18 $\frac{1}{2}$ ¢; 91 score, 18 $\frac{1}{4}$ ¢; 90 score, 18¢.

Wholesale prices of No.1 fresh American cheese at New York were: Single Daisies, 11 $\frac{3}{4}$  to 12 $\frac{3}{4}$ ¢; Young Americas, 12 $\frac{1}{2}$  to 12 $\frac{3}{4}$ ¢.

Wholesale prices of fresh eggs, mixed colors, at New York (Urner Barry Company quotations) were: Special Packed, 17 $\frac{1}{2}$  to 20¢; Standards, 16 $\frac{1}{2}$  to 17¢; Rehandled Receipts, 15 to 15 $\frac{1}{2}$ ¢.

Average price of Middling spot cotton in the ten designated markets declined 2 points to 5.43¢ per lb. On the corresponding day one year ago the price stood at 8.62¢. October future contracts on the New York Cotton Exchange declined 4 points to 5.73¢, and on the New Orleans Cotton Exchange declined 4 points to 5.71¢. (Prepared by Bu. of Agr. Econ.)

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# DAILY DIGEST

Prepared in the Press Service, Office of Information, United States Department of Agriculture, for the purpose of presenting all shades of opinion as reflected in the press on matters affecting agriculture, particularly in its economic aspects. Approval or disapproval of views and opinions quoted is expressly disclaimed. The intent is to reflect the news of importance.

Vol. XLVI, No. 19

Section 1

July 23, 1932.

## HOME LOAN BANK BILL SIGNED

The press today says: "Immediate establishment of a new and vital link in the national banking structure was assured yesterday when President Hoover signed the home loan banking bill, designed to stimulate home ownership, afford emergency relief to hard-pressed mortgage holders, and provide a more flexible and effective credit agency to handle the Nation's \$20,000,000,000 in dwelling loans. The measure provides for a chain of eight to twelve regional home loan banks, under the general supervision of a new Home Loan Bank Board of five members. In respect to both organization and essential functions, the new agency will closely parallel the Federal Reserve system, with the regional banks serving as the rediscount centers for the members....The location of the regional banks is to be determined upon by the developing needs of the new system, with the approval of the national board..."

## THE OTTAWA CONFERENCE

An Ottawa dispatch July 22 says: "United States trade with the British Empire, taken as a whole, will not be greatly affected by the agreements foreshadowed at the opening of the Imperial Economic Conference at Ottawa. This was the general belief following the delivery of keynote speeches by heads of the various delegations to the conference, in which the policies to be followed by the separate empire countries during the negotiations were set forth. While stressing the desirability of increasing the flow of imperial trade within the empire, each speaker in turn emphasized that due consideration must be given to the importance of non-empire countries as consumers of their respective products...."

## FURLOUGH PLANS

A misleading statement appeared in the press of July 21 and was quoted in Daily Digest for that date. The press said: "...General J. R. McCarl...advised Secretary of the Treasury Mills that workers who did not get 15 days leave in the first half of this calendar year, may take it with pay in the next six months...." Yesterday's Washington Post corrected this statement as follows: "...Mr. McCarl advised Secretary of the Treasury Mills that certain Treasury employees, whose salaries are paid from National and Federal Reserve Bank assessments, are not subject to furlough leave restrictions. The exemption was not general, however, but applied only to this specified group..."

## THE FINANCIAL MARKET

The New York Times today says: "All of the markets responded yesterday, with varying degrees of enthusiasm, to the overnight announcement that the Interstate Commerce Commission had approved the four-party railway consolidation plan for the eastern section of the country....Outside of the railway division, the bond market did not distinguish itself. There were a handful of sharp advances in domestic industrial issues and United States Government obligations were generally higher. The foreign bonds had an irregular advance."

## Section 2

Agricultural      An editorial in Pennsylvania Farmer for July 23 says:  
Engineering      "Our attention has been called to the fact that for the  
Education      first time there is now a four-year course in Agricultural  
                 Engineering in Pennsylvania. This course is where it belongs, in  
                 the School of Agriculture of Pennsylvania State College. The  
                 importance of agricultural engineering has compelled recognition,  
                 but its scope is not yet fully appreciated...."

Automobile      Production of automobiles increased 36,823 cars through-  
Produc- out the United States during May over the preceding month to a  
tion      total of 185,149, according to an announcement by the Depart-  
                 ment of Commerce recently on the basis of reported factory  
                 sales by 144 manufacturers. Increased production was shown for  
                 all types, but passenger cars accounted for nearly all of the  
                 May gains. They increased 36,777 units over the total for April  
                 to 157,683. Trucks increased during the month by 4 to 27,393.

California      A Sacramento, Calif., dispatch announces that the  
Crop      office of State food administrator to utilize the surpluses of  
Sur-      California products in relieving "hunger, want and privation,"  
pluses      was created July 5 by Gov. James Rolph, jr. The report says:  
                 "Director Dudley Moulton, of the State department of agriculture,  
                 was named administrator, and Simon J. Lubin, of Sacramento, was  
                 put in charge of finding outlets for food surpluses in other  
                 States. Moulton said competition with regular marketing agen-  
                 cies will be avoided."

Ewe      An editorial in Pacific Rural Press for July 16 says:  
Surplus      "There are at least 50,000 fat ewes, carrying well-marbled,  
in Cal- tender, nourishing meat, available at a very cheap price, all  
ifornia      of which should be butchered within the next six months and  
                 placed in the coolers of the various cities of California for  
                 the purpose of feeding unemployed persons. W. P. Wing, secre-  
                 tary of the California Wool Growers Association, is responsible  
                 for this estimate, and for a very convincing demonstration of  
                 the value and excellence of this meat....We have become a State  
                 of lamb eaters and have ceased to furnish a market for mutton.  
                 Mutton is the principal meat of about half of the world, but in  
                 our nation of food specialties, all except a few epicures have  
                 discarded mutton for the younger meat. As a result the fat  
                 ewes are worth just about 50 to 60 cents a head net to the sheep  
                 raiser, and it is not worth his effort to market them...."

Grain      An Ottawa dispatch July 21 says: "Opposition to the  
Quotas      quota on grains and championship, as the lesser of two evils,  
                 of the application of a preference tariff that would operate to  
                 the advantage of the Canadian wheat grower without injuring  
                 British consuming and commercial interests, are urged by a large  
                 group of Britons who, representing the grain trade in Liverpool  
                 and London, are here as observers during the imperial conference.  
                 ..."



Health Campaign in Texas      An editorial in Farm and Ranch for July 15 says: "Health is wealth." This could be said to be one of the slogans of the East Texas chamber of commerce, for this great organization has planned to continue another five years of its program to make East Texans and East Texas healthy. Such a program is far more significant and important than any organized effort to increase the number of smokestacks in East Texas towns and cities. Wealth will follow health for health develops ambition, energy and brain power. Free East Texas of malaria, hookworm, pellagra and create an interest in maintaining healthy conditions, and smokestacks and other business enterprises will grow in numbers without any special campaigning....Probably no other section of the South or Southwest has such a variety and abundance of natural resources as East Texas. Like all other areas of the South where there is a desired rainfall, there are mosquitoes and malaria, under some conditions. Years ago chills and fevers were expected to occur at intervals, but today the war on mosquitoes, the screening of houses, and other sanitary measures have freed most East Texas cities of this menace, and the work is making rapid progress in rural districts. Proper diet and an abundance of food is getting the best of pellagra. The campaign will go on. Five more years of educational work should make a health resort out of every community in that section of Texas...."

New England Milk Pro-duction      An editorial in New England Homestead for July 23 says: "At last we have an advance in the price of milk that is an advance and one that will stick. The milk arbiters (the court of last resort) were appealed to by twenty-nine Boston distributors to prevent a 6 cents price but farmers won a clean-cut and conclusive victory. With this goes an advance in resale values so that the market is stabilized on a better basis than it has been for a long time. If it is disrupted later, distributors will be held accountable and they, not farmers, should pay the costs. Through the major operations of New England Dairies, including creameries, the cooperation of the Bellows Falls group and, we trust, United Farmers at Morrisville, Vt., dealers will own their milk on standard price and terms. The country end comes through clean and the balance of the stabilization program for the future rests with distributors. It took a long time to achieve the point now reached but it was worth the effort....There are sure to be problems ahead--plenty of them--many things to avoid, but we have something with which to build for the future. Whether the working agreement of New England Dairies is or is not to continue after January 1 next, a milestone on the road to progress has been reached. From this point on we are better prepared to organize and maintain the gains made, also consider further improvement. This 20% increase in dairy revenue to New England is of supreme importance to our farmers. Indeed, it may prove the turning point for all business. Farmers are good buyers of what other people have to sell. With their purchasing power advanced 20%, more goods will move from the shelves, and this means more orders to factories which will result in more employment...."

Nitrogen                    An editorial in The American Fertilizer for July 2 says:  
Markets                    "The synthetic nitrogen factories of Europe have an ample capacity to supply the needs of the whole world with nitrogen of every sort. Still new factories are being constantly built. No country is too small or too poor to have at least one such factory. Most countries have more than one. Until recent years Japan has been a large importer of agricultural nitrogen. Now nitrogen factories are scattered over the whole island, and Japan is exporting nitrogen. In this country private capital has built some fine nitrogen factories, and these together with our by-product plants could probably supply our domestic needs. Meanwhile Chile, which until twenty years ago supplied the whole world with nitrogen, is in danger of being pushed out of the picture. Having what was thought to be a natural monopoly, Chile collected a large part of the national revenue from a tax on nitrate. When competition began to be serious, there was a new deal by which Chile agreed to take half of the profits of the industry in lieu of the tax previously collected. This was thought to be a concession to the nitrate producers, but competition increased until there were no profits either for the producers or for the Chilean government. Then the nitrate industry introduced American research and American machinery in an attempt to reduce costs, but they were not able to regain the world market. The machinery displaced a large number of workmen who are still idle...."

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# DAILY DIGEST

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Vol. XLVI, No. 20

Section 1

July 25, 1932.

## CHICAGO BOARD OF TRADE

The press of July 24 says: "The Chicago Board of Trade, principal grain marketing agency of the United States, was ordered suspended on Saturday for sixty days by a Federal commission composed of the Secretaries of Agriculture and Commerce and the Attorney General. The suspension is effective in fifteen days, or on August 8, unless the Board of Trade files an appeal therefrom in the Circuit Board of Appeals at Chicago on or before that date. The suspension came as the result of an investigation and hearing of complaints by the Farmers' National Grain Corporation of refusal of clearing privileges to it by the Board of Trade...."

## THE OTTAWA CONFERENCE

An Associated Press dispatch today from Ottawa says: "An axiom of the British milling industry---'buy in the cheapest market'---on Saturday presaged another conflict in the Imperial Economic Conference here. It appeared as a specific barrier against the virtual demand from two of Great Britain's most important Dominions for higher tariffs against foreign countries in general and Russia in particular. The Dominion demand was first openly voiced by Stanley M. Bruce, former Prime Minister of Australia, in an attack upon Soviet Russian market methods and a request for tariffs to protect Australian products....But British importers have not yet had their say and it is a safe conjecture that they will not agree to any empire wheat preference likely to raise costs at home. The British millers, builders and cotton textile concerns had no program to offer the conference....As the matter now stands, Canada, Australia, New Zealand and South Africa are holding out for British tariff barriers against the rest of the world on the agricultural products they sell, principally wheat, meats and fruits. To the British way of thinking, this idea holds the possibility of narrowing the United Kingdom's source of supplies and increasing British living costs...."

## BONUS FOR COTTON WRAPPING

A New Orleans dispatch today says: "Decision of the B. F. Goodrich company mills at Silvertown, Ga., to pay a bonus for cotton bales bound in cotton wrapping instead of jute was disclosed by the American Cotton Cooperative Association. A letter from the mills to the association said payment for the equivalent of seven pounds of cotton would be made henceforth for all bales with the cotton wrapping...."

## THE FINANCIAL MARKET

The New York Times today says: "Last week's recovery on both stock market and bond market at least suggested the regaining of financial poise and a willingness to respond to any development of a potentially hopeful character. There have been such developments. The Government's weekly 'index number' of staple prices has been virtually stationary during the past ten weeks. In the first week of May it stood at 65 1/8 per cent of the 1926 average; now it is 65. The virtual exhaustion of the reserve balances held here by European central banks has ended the drain upon our reserves; since the middle of June we have been gaining gold on balance...."

## Section 2

**Business Situation**      The Magazine of Wall Street for July 23 says: "The outstanding bright spot in a generally depressed business picture is the further notable rally in commodity prices, a movement which has now continued for more than a month. This performance, of course, is only tentatively encouraging, since it remains to be seen whether it will be maintained in coming weeks. Yet it is hopeful that the scope of the average recovery is the sharpest in two years. Although the gain is accounted for almost entirely by agricultural commodities, it is this group in which improvement was most needed. Moreover, this could not have raised the general commodity average if other groups were not at least showing greater stability. There is encouragement also in the latest figures on currency circulation, which show a return flow of \$61,000,000 to the banks. Fears of bank failures evidently have waned. The real picture, however, remains somewhat obscure. Part of the recent large gain in circulation was due to the usual Independence Day demand for currency. An unknown proportion of it also was due to the new Federal tax on bank checks, the effect of which is to increase cash transactions. In a few industries, such as petroleum, coal, sugar, livestock, tanning and meat-packing, moderate improvements appear to be in progress. For most other industries the slight rise observable in our New Orders and Business Activity indexes merely signifies that recession is now at a slower pace than last year at this time. The recent firmness of the bond market may be tentatively accepted as indicative of increased confidence among investors. The recent rally in stocks is of doubtful import, at least in its early stages...."

**Dairy Course at**      An editorial in The Pacific Dairy Review for July says: "The California Polytechnic School, San Luis Obispo, is now offering a complete and practical vocational course in dairy production to male students who are at least 17 years of age or have completed at least two years of high school work. The objective of the course is to prepare students to enter a dairy-ing vocation, either as owner, manager or foreman, or as a skilled dairy worker. The method of instruction gives students an opportunity to work with the dairy cattle through the entire cycle of selection, buying, raising, and marketing of dairy cattle, as well as milk production under conditions comparable with those which are met in good commercial dairies....Closely related work in farm English, business management, agricultural science, and U. S. history and government round out the course."

**Employment In Mich-**      An editorial in The Michigan Farmer for July 9 says: "The latest detailed report on the employment of 416 industrial plants in Michigan in which conditions on May 15 are compared with those on April 15, shows an improvement of 1.5 per cent in the number of men employed, of 9.9 per cent in the size of the payrolls and 8.1 per cent in the average weekly wages earned. Our sincere hopes are that this improvement may continue."



Finnish Butter      Finnish Trade Review for June says: "The introduction of the British butter duty in the early part of the year failed to affect prices in the British market, which meant that the duty had to be borne by the shippers. Moreover, since then prices have tended to fall, with slight reactions, as in the first half of April. Later in April a fall set in, which continued until, in the latter half of May, the Manchester quotations had declined to 103 shillings a cask, Finnish, Swedish and Danish butter alike being quoted at that figure. Indeed, higher prices have been paid for Finnish than for Danish butter in England, an historical occurrence. For producers the market has been ruinously low, though the demand has been large enough, and the reduced output may be put down to the low prices. The total exports in April, the last month for which official figures are available, amounted to 1,935 metric tons, as compared with 1,308 tons in March and 2,062 tons in April last year. The total shipments during the first four months of the year were lower than last year, the figures being 6,108 metric tons this year as compared with 6,505 tons in 1931. Shipments declined during May parallel with a decline in output, but a rise in output can be expected as the effects of the pasturage season make themselves felt. At the end of April a beginning was made with exports of dairy products, including fresh milk, butter, cheese and bottled cream, to Leningrad. Buying countries during the spring included Great Britain, Germany, Russia, Czechoslovakia, Denmark and Belgium, while a small quantity was even sent to Switzerland. The preliminary figures for May give exports as 1,240 tons, as compared with 1,744 tons in May 1931."

Oklahoma Credit Corporation      The situation in Oklahoma gives promise of early improvement through the making of loans by the National Livestock Credit Corporation, which has recently been organized through the assistance of the Federal Farm Board, with paid-in capital of \$250,000. This makes it possible for the Federal Intermediate Credit Bank of Wichita to increase its line of credit to the extent of about \$2,000,000 by discounting loans made on the security of livestock by this corporation. (Federal Intermediate Bank of Wichita.)

Ottawa Items      An Ottawa dispatch to the press of July 22 states that in honor of the delegates to the Imperial Economic Conference special foods from every country in the British Empire have been brought to Ottawa. For the people of India there are Bomba ducks, which are in reality dried fish; poppoduns, another dried fish, and Rangoon and Potna rice as well as Indian curry powder. The Australians may have their own canned goods, raisins, fruits, ox tongues and passion fruit juice, which they prefer to orange or tomato juice in the morning. Toheroa soup now appears on the menus and is favored by the New Zealanders. New Zealand apples are also a specialty. English bloaters, Scotch capers, Scotch finnan haddie, sole and turtle as well as every kind of British game have been imported for the visitors from the British Isles.

A feature of the export trade of Canada in June was an increase in the merchandise sold to the United States, according

to a report issued by the Dominion Bureau of Statistics July 21. The value was \$15,751,485, compared with \$14,189,019 in May and \$12,085,348 in April. With this increase the Canadian exports to the United States in June were greater than to all the countries of the British Empire combined.

**Wholesale Prices**      The Bureau of Labor Statistics of the U. S. Department of Labor announces that the index number of wholesale prices for the week ending July 16 stands at 65.0 as compared with 64.8 for the week ending July 9. This index number, which includes 784 commodities or price series, weighted according to the importance of each article and based on the average prices in 1926 as 100.0, shows that an increase of three-tenths of 1 per cent has taken place in the general average of all commodities for the week of July 16, when compared with the week ending on July 9.

**Woods of World**      "A systematic investigation of the woods of the entire world by the International Association of Wood Anatomists is now well advanced, according to a statement made public by the secretary-treasurer, Professor Samuel J. Record, of the Yale School of Forestry, who recently announced the results of a conference, held in New Haven, of representatives of the Bussey Institution and the biological laboratories of Harvard University, the botanical department of Cornell University, and the forestry department of Yale. The organization has a membership of fifty investigators in eighteen different countries under the direction of an executive council of eleven members of eight nationalities. The largest and most comprehensive collection of woods in existence at present is at the Yale School of Forestry. It contains over 21,000 fully catalogued samples representing over 6,000 named species of about 2,000 different genera. Cuttings large enough for scientific studies have been made of selected groups and forwarded to workers in several institutions in the United States, Canada, England, Holland, Germany, France, Russia, Japan, Australia and New Zealand. Another large collection is at Buitenzorg, Java, with 15,000 samples of Dutch East Indian woods. There are also large collections in the Philippines, India, Federated Malay States, as well as in European countries, and hundreds of samples have already been distributed for special research....The Lower Amazon region is being explored by Dr. Alphonso Ducke, of the Botanical Garden of Rio de Janeiro. Dr. A. Rimbach is collecting in the interior of Ecuador, a locality almost unknown to the outside world. A good collection of woods has been made for the first time on Mt. Kinabalu in British North Borneo. The most recent expedition is that of J. H. L. Waterhouse, of Australia, who is collecting on the British Solomon Islands Protectorate. This undertaking is in cooperation with the Royal Botanic Gardens, Kew, England, and has the sanction of the high commissioner for the Western Pacific and the resident commissioner at Tulagi.



There are, in addition, many local collectors in out-of-the-way places in the tropics. The first step toward uniformity of botanical terms has been the making of a dictionary, now undergoing its second revision, which is in English, French, German, Dutch, Spanish, Portuguese and Polish. This will be made the basis for a book in which every term will be fully illustrated and described." (Science, June 24.)

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Section 3  
MARKET QUOTATIONS

Farm  
Products

July 22.--Livestock: Slaughter cattle, calves and vealers; steers (1100-1500 lbs.) good and choice \$7.25 to \$9.40; cows, good and choice \$3.50 to \$5.50; heifers (550-850 lbs.) good and choice \$6.25 to \$7.75; vealers, good and choice \$5.50 to \$6; feeder and stocker cattle, steers, good and choice \$5.25 to \$6.25; heavy weight (250-350 lbs.) good and choice \$4.30 to \$4.85; light lights (140-160 lbs.) good and choice \$4.40 to \$4.80; slaughter pigs (100-130 lbs.) good and choice \$3.60 to \$4.40 (soft or oily hogs and roasting pigs excluded from above quotations). Slaughter sheep and lambs: Lambs, good and choice (90 lbs. down) \$5.25 to \$6.10.

Grain: No.1 dark northern spring\* Minneapolis 51 to 52¢; No.1 northern spring\* Minneapolis 51 to 52¢; No.1 hard winter\* Kansas City 42 3/4 to 43 3/4¢; No.2 hard winter\* Kansas City 42 1/2 to 43 1/2¢; Chicago 48 to 49 1/4¢; St. Louis 48¢ (Nom.); No.1 S.R. Winter St. Louis 49¢; No.2 S.R. winter Kansas City 44 to 44 1/2¢; Chicago 47 3/4 to 48 3/4¢; St. Louis 48 1/4 to 49¢; No.2 Am. Dur.\* Minneapolis 43 1/2 to 47 1/2¢; No.1 Durum (Duluth) 46 1/2 to 47 1/2¢; No.2 rye Minneapolis 29 1/2 to 31 1/2¢; No.2 mixed corn Kansas City 33 to 34¢; Chicago 32 to 32 1/2¢; St. Louis 32 1/2 to 35¢ (Nom.); No.2 white corn Kansas City 33 1/2 to 34 1/2¢; St. Louis 32 1/2 (Nom.); No.2 yellow corn Kansas City 36 to 36 1/2¢; Chicago 32 1/2 to 33¢; St. Louis 33¢; No.3 yellow corn Minneapolis 33 to 35¢; Kansas City 34 1/2 to 36¢; St. Louis 32 1/2 (Nom.); No.2 white oats Chicago 17 3/4 to 18 1/2¢; St. Louis 17 1/2¢; No.3 white oats Minneapolis 16 1/2 to 18 1/2¢; Kansas City 15 1/2 to 17 1/2¢ (Nom.); Chicago 16 3/4 to 17 1/4¢; St. Louis 16 1/2 to 16 3/4¢; Special No.2 barley Minneapolis 30 to 31¢; Chicago 30 to 37¢; No.1 flaxseed Minneapolis 91 1/2 to 95 1/2¢.

Virginia Cobbler potatoes ranged \$1.75-\$2.25 per stave barrel in eastern cities; mostly \$1.40 f.o.b. Eastern Shore Points. Kansas and Missouri sacked Cobblers few 60¢-70¢ per 100 pounds carlot sales in Chicago. North Carolina Hiley peaches, medium to large sizes, \$2.62 1/2-\$3.12 1/2 per six-basket crate

\*Prices basis ordinary protein.

in New York City; \$2.25-\$2.50 f.o.b. Candor. Georgia Hileys \$2.75-\$3.75 in the East with Belles \$2.25-\$2.35 f.o.b. at Macon. Arizona Salmon Meat cantaloupes brought \$1.50-\$2 per standard crate of 45 melons in consuming centers. California Honey Balls \$1.75-\$2.25 in city markets; 65¢-85¢ f.o.b. Brawley. North and South Carolina Tom Watson watermelons, 24-30 pounds average, \$280-\$350 bulk per car in New York City; 24-26 pounds \$40-\$75 f.o.b. Macon, Ga. Virginia yellow onions, 50¢-65¢ per bushel hamper in city markets. Midwestern yellows 60¢-90¢ per 50-pound sack in a few cities.

Average price of Middling spot cotton in the ten designated markets advanced 10 points to 5.53¢ per lb. On the corresponding day one year ago the price stood at 8.34¢. October future contracts on the New York Cotton Exchange advanced 10 points to 5.83¢, and on the New Orleans Cotton Exchange advanced 10 points to 5.81¢.

Wholesale prices of fresh creamery butter at New York were: 92 score, 18¢; 91 score, 17 $\frac{3}{4}$ ¢; 90 score, 17 $\frac{1}{2}$ ¢.

Wholesale prices of No.1 fresh American cheese at New York were: Single Daisies, 12 to 13¢; Young Americas, 12 $\frac{1}{2}$  to 12 $\frac{3}{4}$ ¢.

Wholesale prices of fresh eggs, mixed colors, at New York (Urner Barry Company quotations) were: Special Packed, 17 $\frac{1}{2}$  to 20¢; Standards, 16 $\frac{1}{2}$  to 17¢; Rehandled Receipts, 15 to 15 $\frac{1}{2}$ ¢. (Prepared by Bu. of Agr. Econ.)

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